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The Nation's Business

Bennett's Task Meets Resistance to Preference Proposals
Western Resources in Courts Again

STALLING AT LONDON

CANADA'S prime minister seems to be waging a losing battle at London, but he is fighting a good fight and most Canadians are behind him. There is now little hope of anything important or constructive coming out of the Imperial Conference sessions. The MacDonald cabinet is hopelessly split on the question of protection and preferences and the free trade group rules in the cabinet for the simple reason that Mr. MacDonald can not command a majority or win elections without them.

The Dominions' delegates are being given a good exhibition of political stalling by the British delegation and it is obvious that Mr. Bennett and other Dominions premiers are having the utmost difficulty in keeping the conference discussions down to practical business matters.

* * *

THERE seems to be no chance of the conference closing with any unanimity of opinion having been reached on questions of tariffs and preferences but it is likely that a postponed meeting in Ottawa next year will concentrate on this most important phase of Imperial economic problems. But even the success of the postponed conference would depend to a considerable extent on what happens in Britain's domestic politics in the meantime. Mr. MacDonald is dodging an election as long as possible hoping that the unemployment situation will improve. And the Conservatives—at least Mr. Baldwin, the leader—are still indecisive on the question of preferences on foodstuffs.

* * *

WESTERN RESOURCES

THE Saskatchewan case on the question of natural resources which has recently been presented to the Supreme Court of Canada has been a matter of some confusion to those who had supposed the question of western natural resources to be entirely disposed of. When settlement of the resources question was being undertaken with the different provinces, Manitoba, Saskatchewan and Alberta each pursued a different line, although they had been united in the earlier agitation which led to the settlement. Manitoba has been a province when the territory which composes it first became part of the Dominion of Canada. The province argued, and finally obtained agreement to its contention, that it was entitled to its resources as from the date of admission, and was entitled to have the administration of those resources reviewed as from the beginning, and to be given compensation for such as had been alienated. Alberta, with her eyes fixed upon the coal, gas, oil and other mineral resources of the province, was more anxious to be put in possession of those that remained than to be finical about settlement for such as had been alienated, and pursued a course most likely to bring matters to a prompt conclusion. When it was finally agreed that Alberta was entitled, not only to the remaining resources handed over to her by the Dominion Government, but to compensation for such as had been alienated by the Dominion Government since the creation of the province, Alberta got a good deal more than she at first would have been willing to accept.

But Saskatchewan, where the natural resources consisted chiefly of land, and where the greater part of the land had been disposed of, was far more anxious for a cash settlement than for actual control, and she set up a legal contention which went much further than anything advanced by either of the other provinces.

* * *

SASKATCHEWAN argued that not only was she entitled to the benefit of the province's resources as from date of creation of the province, in 1905, but that she was also entitled to the benefit of them from the beginning, and that the Dominion Government in administering western lands from the date of their acquisition upon surrender by the Hudson's Bay Company, was doing so not out of any right inherent in it, but as trustee for the province later to be created. She accordingly asked for a settlement, not only in respect to all transactions since 1905, when the Dominion Government retained control of the resources of the newly created province, but also in respect to all transactions undertaken by the Dominion Government prior to that time. The Dominion and the province finally agreed upon a reference that covered Saskatchewan's claims since 1905, and that the judicial opinion should be obtained respecting the soundness of Saskatchewan's claims respecting the prior period.

* * *

ALBERTA supported Saskatchewan's case when the matter was argued before the Supreme Court, because any favorable decision in favor of Saskatchewan would equally operate in favor of Alberta, but the point had never aroused much interest in Alberta, while it is one which had been expounded frequently and at length in Saskatchewan.

A decision from the Supreme Court unfavorable to Saskatchewan, which has been anticipated because the court did not require the representatives of the Dominion to speak in answer to the province's contention, would appear to dispose finally of the natural resources question as a contentious problem, unless Saskatchewan insists on carrying the matter to the Privy Council for decision.

Bennett Declines Quota as Substitute For Preference Plan

British Premier Forces Quota Plan Before Meeting

DOMINIONS OPPOSE

Conference May Adjourn to Ottawa if No Agreement Can be Reached on Trade

Special Cable
By H. NAPIER MOORE,
Editor, MacLean's Magazine

LONDON.—With Prime Minister R. B. Bennett's Imperial preference proposals at present sidetracked by the resistance of Chancellor of the Exchequer Snowden and president of the Board of Trade Graham, the Labor cabinet of Prime Minister Ramsay MacDonald is doing its utmost to precipitate the Dominions into a definite acceptance or rejection of the quota plan. Under this plan, a preference would be given to Empire producers of wheat and other foodstuffs and raw materials by requiring a certain fixed percentage of United Kingdom imports to be of Empire origin.

Canada Opposes Quota

Canada's representatives at the Imperial Conference are strongly opposing the quota, believing it to be thoroughly impracticable, Australia, with an eye on British importations of wool is non-committally inclined.

The Labor Government, committed against the tariff is playing the quota plan for political purposes. The quota plan is originally a Conservative measure that has been pressed by Rt. Hon. Stanley Baldwin, Conservative leader. If the Dominions agree upon their rejection of the plan, Prime Minister MacDonald feels that he will have spiked the Baldwin guns, and will be able to declare that Mr. Baldwin's quota plan is unworkable in that it has been tendered to the Dominions and refused by them. This would mean that Baldwin would be faced with the problem of deciding whether or not he will fight the next election on the straight issue of protection on foodstuffs. The intimation of Neville Chamberlain that a foreign wheat tax is not excluded from the Conservative plans bears out statements given to me privately by several high Conservatives, who are urging their leader to accept the challenge of the situation.

Dodge Russian Problem

In the economic committee sessions, the Laborites are sidestepping continued representations from the Canadian delegates that action should be taken to clear up the menacing situation created by Russian wheat. I learn that Mr. Graham has intimated that it is impossible to shut out Russian wheat due to operations of the favored nation clause in the Russo-British treaty. Also it must be remembered that the co-operative wholesale societies are powerful in their political influence and it is a subsidiary of these societies, the Russo-British Export Company, that is financing the Soviet shipments.

I am informed on good authority that if Canada blocks the quota system Prime Minister MacDonald may agree to Prime Minister Bennett's suggestion to adjourn to Ottawa. This would make it unnecessary for the Labor cabinet to meet Parliament with a deadlocked conference to explain.

Desultory Progress Only Made With Conference Work

SNOWDEN RULES

MacDonald Afraid to Throw Three Free Trade Ministers Over—Conference May Adjourn

Special Cable
By JOHN A. STEVENSON,
Canadian Correspondent, London Times

LONDON.—The past week has witnessed only desultory progress with the work of the Imperial Conference and no tangible results are yet in sight. Some of the Dominion delegates have become very pessimistic and are saying that they might as well go home but Premier Bennett, now Rt. Hon., although laid aside by a temporary indisposition is not among the despondent. He has earned the gratitude of Premier MacDonald and his colleagues by refusing to accept numerous invitations from Conservative organizations and refusing to be drawn into British political controversies.

Premier Bennett has been working closely with Premier MacDonald checking the efforts of other Dominions who have been pressing in a rather nagging spirit, for constitutional changes in regard to the prerogative in the appointment of governors general and in regard to other similar matters. But Mr. Bennett has made no further progress in regard to preferences and the general interpretation placed upon the speech made by Chancellor Snowden at Manchester on Saturday, when he made a flatfooted pronouncement against preferences, is that the chancellor's veto is for the moment, effective.

Mr. MacDonald is said to be open minded about preferences and some of his cabinet, like Mr. Thomas and Mr. Hartshorn are strong advocates of preferences. It is surmised that if the rest of the cabinet had been a unit for preferences, Mr. MacDonald might have let Snowden go but Mr. Graham and Mr. Alexander, the leader of the co-operative group stood with Chancellor Snowden. Premier MacDonald could not face the crisis involved in a triple resignation. At present it looks as if the best Mr. Bennett can hope to extract from the conference in the way of trade measures is an adjournment for six months for a further meeting at Ottawa, when the experts will have investigated the different schemes offered. There is also now a fair prospect of the establishment of some sort of permanent economic secretariat for the commonwealth as the British Government favors it and there seems to be no serious opposition from any Dominion.

Meanwhile the internecine feud within the Conservative party, between the Baldwinites and the Beaverbrookites is growing bitter. The South Paddington by-election, where three conservatives are running has degenerated into sheer comedy. This week Mr. Baldwin replied to Baron Beaverbrook's challenge in a long letter wherein he elaborates his policy and asserts that he will rule out no plan for the stimulation of inter-Imperial trade, even food taxes, but many Conservatives think he is foolish to be drawn out so often by Beaverbrook.

Maple Leaf Shareholders Should Hold Preferred

Future Operations May Gradually Recover Their Loss —Investors Should Watch Company's Course For Awhile Before Buying Securities

"I bought Maple Leaf Milling Co. first preferred stock at 98 early this year. It has fallen away to 35 since the dividend was passed. Should I hold or sell and take my loss?"

"Since Maple Leaf Milling Co. passed its dividend on the 7 per cent first preferred cumulative stock the market valuation has fallen to 35. It strikes me that with an old-established company like this, the first preferred "A" stock at this price offers a real opportunity. Would you advise the purchase?"

The foregoing questions, typical of many being received by The Financial Post at this time, require different answers. The present shareholder who obtained his stock at high prices should continue to hold rather than take his great loss. The intending investor should, however, wait awhile before venturing to buy this stock.

Ever since the present company was organized in 1910, Maple Leaf Milling Co. preferred stock has paid dividends without a single gap until this year. The present situation has been brought about in great part by unauthorized speculation and unauthorized loans by officers of the company. Those officers have been removed, present operations are at a profit, and it might appear at first sight that the company should be able to resume operations on a profitable basis and thus in the course of time bring the preferred stock once more into the list of dividend-payers. The earning assets are still there unimpaired, current requirements of the company for running its business have been obtained from the banks, sound accounting and administrative practices are being followed. When then, can shareholders expect to have dividends paid again?

Pay No Dividends for Three Years

Before dividends can be paid again the banks must be paid the extra $2,000,000 which they have put up and which is secured by shares of the company's subsidiaries. Paying off this extra $2,000,000 would wipe out the working capital deficiency but the company would still owe the banks $4,000,000 secured by inventories and receivables. It would be necessary to strengthen working capital until the company had at least $1,000,000 before it could resume the full payment of dividends. This would mean that the company will in all probability put aside $3,000,000 from profits before renewing dividends on the first preferred stock.

In the year ended March 31, 1929, the company had nearly $1,000,000 available for dividends. It is understood that, since the close of the most disastrous period in the company's history on July 31, 1930, net monthly earnings have been at about this rate of $1,000,000 a year. Whether that rate can be maintained or not, it is a fact that earnings for the five years preceding 1929 were less than $400,000 a year after all charges except dividends.

If the company can therefore earn $1,000,000 a year after all charges, the dividends could be renewed in three years. If it only earns $400,000 a year as in all other years since 1923, except 1929 and 1930, there would be seven years to wait.

Promise Semi-Annual Statement

The Financial Post finds considerable confidence among interests close to Maple Leaf Milling Co. that the company will be able to maintain net earnings at the rate of $1,000,000 a year. Because that is a possibility it would advise holders of preferred stock to hold as improvement in the affairs of the company would be followed by rising market valuations. Cheaper wheat over years is a factor which may help the company.

On the other hand, those who are considering the stock for a long hold

(Continued on page, 2, col. 6)

MONT. POWER CASH RECEIPTS TOTAL BIG SUM

Nearly $900,000 Monthly Sent in by Customer Stockholders

INVEST SURPLUS CASH

$45,000,000 Due in Next Two Years—Capital Outlay Represents Large Total

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat & Power Consolidated is receiving about $900,000 each month in payments on new stock issued to customers; market conditions present favorable opportunities to the company for investment of funds which are available for such purposes.

On the fifteenth of each month Montreal Power receives installment payments on new stock issued to customers; on November 1 the company will receive about $4,500,000 as the second payment on stock issued to shareholders. Additional payments from shareholders are due in February and May, 1931.

In all, the company will receive about $45,000,000 in the next two years as a result of its customer ownership campaign and the issuance of rights to shareholders to purchase new stock on the basis of one new share for each ten held.

Investments Show Gain

At the end of 1929 investment securities carried by the company were valued at $19,925,716 and it is possible that this sum will be increased at the end of the current period. The company's investment account has shown steady growth and has risen to its present figure from $3,100,881 in 1924.

A substantial portion of new funds received are required to finance current extensions, while provision is being made for the redemption of $10,500,000 of first mortgage bonds maturing at an early date.

Current earnings are reported to be in excess of those at this time last year, and net income available for dividends will, it is estimated, show an increase of over $1,000,000 as compared with $8,737,638 last year. This was equal to $4.28 a share on the 2,041,837 shares of common stock outstanding.

Stock Holds Up Well

The stock split in May, 1930, increased the total number of shares outstanding to 4,083,674, while sale of additional stock to shareholders and customers has increased this figure substantially. Relatively few of these shares will, however, be outstanding for dividend payments for another year.

The stock has stood up well in the last market decline. Current quotations are around 55 which compares with a high for the year of 68¾. At present prices the shares yield about 2.7 per cent.

New Work Progressing

Montreal Power is making good progress with its programme of extensions for the current year. The duplicate transmission line from its Cedar Rapids plant to the Atwater substation in Montreal is nearing completion and is expected to be ready for operation early in 1931. The new line is carried past Beauharnois and will be used for the transmission of power from that source when the Beauharnois plant comes into operation.

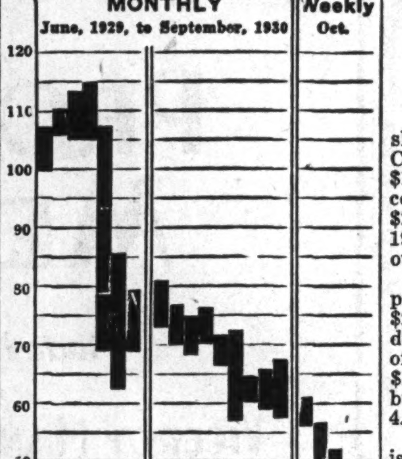
Other additions to property include a new substation in Montreal East which is nearly completed. This station will have a capacity of 30,000 k.w. and will serve the growing industrial load in that district. Beaumont substation is being increased by 22,500 k.w., while an additional 90,000 k.w. is being installed in the Atwater substation.

The company's contract with the city of Montreal comes up for renewal on November 1. Though there has been the usual crop of rumors regarding the construction of a civic hydro plant, there are as yet no concrete evidences of materialization of the project.

Stock Market

20 INDUSTRIAL STOCKS

MONTHLY — June, 1929, to September, 1930 | Weekly Oct.



MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Oct. 21	52.6	48.5
Week of Oct. 14	57.1	48.5
Month of Oct., 1929	108.9	65.0
8 Bank Stocks		
Week of Oct. 21	253	250
Week of Oct. 14	256	251
Month of Oct., 1929	295	276
10 Public Utilities		
Week of Oct. 21	84	81
Week of Oct. 14	87	81
Month of Oct., 1929	123	96

Canada Malting Co. Should Earn Dividend

Canada Malting Co. earnings for the fiscal period ended Aug. 31, 1930, are expected to be just about enough to protect the $1.50 dividend on the common stock. In this connection it is pointed out that the company had protection against imported American malt for only three months of its year, and the current year will be the first one to feel the full result of the new arrangements.

Stock has dropped on the Toronto Stock Exchange to 14 in anticipation of the forthcoming annual report showing earnings less than the $2.20 a share shown on the common stock last year. On Aug. 31, 1929, the company had high inventories of malt, $1,416,773 as compared with $664,868 a year earlier. Present prices of barley hardly pay the farmer to ship, but this may prove a cost factor of more interest for the current year than for that which ended on August 31, as 1929 inventories were obtained on a higher basis.

CAN. VICKERS IMPROVEMENT IS MAINTAINED

All Charges Covered in First Half of Year

From Our Own Correspondent

MONTREAL. — During the half year ended August last, Canadian Vickers Ltd. earned its bond interest, depreciation and preferred dividend requirements. This is an appreciably better result than that obtained last year, when earnings for the full year were far short of preferred dividend needs.

No forecasts are being made as to what the final figures for the year will show. Results up to date have been encouraging, but there is no definite assurance that the company will be able to end up the year with the same satisfactory showing as was made in the first six months.

Need More Business

The company needs more business. Some of the departments have a respectable volume of business on hand, especially the industrial end of the business, but other divisions are not in such good shape.

There are a number of jobs in prospect, which, if they materialize, will place the company in a strong position in so far as the current year is concerned.

Interim reports show that the aeroplane department has been making some headway, but this department needs more orders. It will be recalled that some time ago Vickers reorganized its aeroplane business and dropped the manufacture of land planes. Work has been concentrated on seaplanes and amphibians, in which direction the company has done considerable pioneer work.

Industrial Section Busy

Industrial business has been showing up well this year. At one time this was the weakest link in the chain. Over the past twelve months or so the company has been actively engaged in securing business for this department, with the result that there is sufficient work on hand to keep this division going at capacity until next year.

One feature of the industrial work, has been the relatively large number of orders received for Kidwell boilers. In this connection the company has had orders this year from Canadian International Paper, University of Montreal, Winnipeg and Mexico. Just recently it received a contract covering three boilers for Notre Dame Hospital, Montreal.

Prospects Are Promising

Work in the structural steel department could be better at this time, though the volume of work turned out to date has been satisfactory. There are a number of projects in sight which promise to develop into orders. The Montreal terminal scheme of the Canadian National Railways is getting into full swing. Other projects are in the formative stages or under contem-

(Continued on page 2, col. 5)

Sun Life Stock Yields 4.28% At Low Price

From Our Own Correspondent

MONTREAL.—Quotations on the shares of Sun Life Assurance Co. of Canada are in the neighborhood of $1,700 bid and $1,800 asked. These compare with quotations of around $2,300 a few weeks ago, while in 1929 the shares touched a peak of over $4,000.

During the current year, the company has distributed two bonuses of $25 each in addition to regular dividends of $25 a share, making a total of $75 in all. Based on a price of $1,750 for the stock, the 1930 distribution of $75 indicates a yield of 4.28 per cent.

The slump in the price of the stock is probably due not only to the general decline in security values, but also to the market drop in the value of investments held by the Sun Life. There can be little doubt that its holdings show sharp depreciation from the values prevailing at the 1929 peak, though it is likely that dividend income has been well maintained.

Sales of insurance are reported as satisfactory. In September, 1930, business was about 11 per cent ahead of last year, while assets have increased by $40,000,000.

B. A. OIL GETS FINE BONANZA IN NEW WELL

Will Add at Least $2,500,000 to Company's Revenue in Year

PRO-RATION LIMITS

If Full Production Allowed, Company Would Get Over $2,000,000 Monthly

British American Oil Co. hopes for production on its Oklahoma City holdings had spectacular confirmation on October 18, when it was advised that a well had come in on the Eckroat property with a flow equivalent to 96,000 barrels daily. Officials of the company state that the volume of oil from No. 1 Eckroat well would mean an additional income to the company of $2,000,000 a month at present prices if there were no curtailment programme. If the curtailment were to be kept on the present basis of 8.33 per cent the well will still add $2,500,000 to the company's revenues after all charges, overhead and royalties. This one item alone therefore adds nearly $1 a share to next year's earnings on common stock, and there will be a handsome addition this year. Officers of British American Oil state that, although this well is known as No. 1 Eckroat, it is unlikely that there will be further drilling on this property, the well brought in having realized all that was expected from this property.

The company still has much to hope for from its interest in the Holmes property. Three wells have already been brought in on this property, one of these being a major well, and the company has an important interest in the production. The well on the Eckroat property was brought in at 6,500 feet, and there is every reason to hope for a long life to the well as that has been the experience in this sand at such a great depth. The sand itself is from 152 to 165 feet deep.

Curtailment programmes in Oklahoma City field are currently at the rate of 8 1/3 per cent. Even with this curtailment, and one-eighth going to the royalty owners, the company now has important production each day. The No. 5 Holmes is now producing at a greater rate than when it first came in, which leads some experts to expect the No. 1 Eckroat to develop to about 120,000 barrels daily. B. A. Oil officials, however, are satisfied with production as reported. Two of the Holmes wells will be deepened in the hope of bringing greater production.

Mead is Mentioned As Newsprint Head

From Our Own Correspondent

MONTREAL. — Current rumors that George H. Mead, chairman of the board of directors of Abitibi Power & Paper Co., has consented to accept the presidency of the Newsprint Institute of Canada cannot be confirmed.

From what information is available, it is understood that the last week's meeting of the Newsprint Institute was not productive of any definite action.

Col. John H. Price, president of Price Brothers & Co., resigned the presidency of the Newsprint Institute a few weeks ago, but, as far as can be learned, his resignation has not been officially accepted.

Dom. Stores Sales Total Off Profits Higher

Dominion Stores sales for nine months of 1930 total $18,314,633, a decrease of 2.11 per cent. In view of the marked decrease in commodity prices during this period as compared with 1929 such a small decrease indicates that the company has had an actual increase in volume of sales though the dollar total is down.

Decreases by months have been shown only in the months of July, August and September. September's sales were $17,927,576, a decline of 2.11 per cent. It is officially stated that profits this month have been higher than in September, 1929, which had been a month of special sales with a small margin of profits.

The company states that it has no bank loans and that cash on call or in bank amounts to $1,250,000. Net earnings, after all charges, for the first three quarters of 1930 were $348,009, equal to $1.25 a share on the 277,715 shares now outstanding.

King Edward Hotel Income Off Greatly

Revenues of King Edward Hotel Co., Toronto, are reported from an official source as being about 30 per cent under last year, which, owing to the opening of the Royal York in that year, were considerably less than in 1928, the best year in the company's history.

From the same source, it was stated, however, that the interest on bonds and debentures of the hotel would be paid. The interest on the series "A" 8 per cent debentures is guaranteed by the United Hotels Co. of America, but the series "B," outstanding to the amount of $835,000, are not so guaranteed.

Low Stock Valuations Are Investors' Chance

Stock market liquidation in the United States, causing consequent disturbance to market valuations of Canadian stocks, showed no immediate signs of let-up as The Financial Post went to press. The leading stock, United States Steel, was down at 143 with traders expecting an unsatisfactory statement of recent operations and liquidations of banking accounts still caused uncertainty in valuations even of sound investment stocks.

The business situation shows signs of brightening in the United States, and in Canada the forces of reconstruction at the bottom of the business recession are steadily working. No sudden volte face of business conditions is expected, but confidence is growing that work being done now will tell for much better times well on in 1931.

Investment buying still goes on, and the number of outright buyers shows no diminution. They feel that low prices at present governing cannot be expected to last long, and that it is a good thing to take advantage of them whenever possible. Some believe that the next important move will be upward, though it is not expected that such a move will be one that finally lifts the market out of the present rut. Fear is the dominating depressant of prices now, and decided action is not likely with a number of third quarter reports of lower earnings to come out. Prices in reality discount such depressing factors as lower earnings for a prolonger period in most cases. It is a time to buy for the long pull but not to follow any market recovery far for speculative trading.

Motor Industry Not at Peak Says Col. Leonard Ayres

Decisive Answer Given to The Financial Post by Leading Economist, Who Sees 1929 Production Peak Soon Exceeded

"It is my opinion that the peak of production reached in the automotive industry in the first half of 1929 will be exceeded well within the decade which we are about to enter and probably before half of the decade has elapsed."

Such is the dictum of Col. Leonard P. Ayres, well-known United States economist and vice-president of the Cleveland Trust Co., when asked by The Financial Post as to his opinion of the future of the automobile industry on this continent.

It will be remembered that a few weeks ago, C. H. Carlisle, president and managing director of the Goodyear Tire and Rubber Co. of Canada, made public a statement that in his opinion there would never in any six month period, and during his lifetime, be a greater production of automobiles than was produced in the first half of 1929. In view of the high position Mr. Carlisle holds in an industry closely allied to the automobile business, and in view of the great significance of such a statement to business, The Financial Post canvassed the opinions of the leaders of the automobile industry in Canada and found them disagreed among themselves as to the opinion held by Mr. Carlisle. (The Financial Post, October 9, issue). Accordingly The Financial Post sought an opinion from some leading independent sources and asked Col. Ayres, who as economist for the Cleveland Trust, has achieved international repute as an expert on business conditions, to express his views.

To bear out his statement that the 1929 peak of production will be reached well within the present decade, Col. Ayres told The Financial Post, "'I believe that citizens of Canada and the United States are going to continue to use automobiles at least as much as they are using them now. If this proves true, it follows that the production figures of the last few years (less exports) will become the replacement figures of the next few years.

"To this basis of almost inexplicably great production we must add an allowance for numbers needed because of increase in population, another allowance for exports, and finally another allowance for increased use if we believe that there will still be an increase in use.

"I have attempted to estimate all these trends over the next few years and no matter how conservatively I array my figures, they bring me each time to the conclusion that the output rates of the first half of 1929 will be exceeded before many more years have elapsed."

DOLLAR RATE OF NICKEL CO. AVOWED SAFE

Only Prolonged Depression Would Seem to Endanger Payment

INVENTORY IS LOW

Two and a Half Months Supply Maintained After Restoring Depletion of 1929, Says Stanley

International Nickel Co's present dividend of $1 per share may not be reduced or passed unless business conditions become worse during the balance of 1930.

This is the inference of remarks of Robert C. Stanley, president of the company, to a representative of The Financial Post in New York.

Reduction Not Probable

With reference to rumors of a reduction in Nickel's dividend, Mr. Stanley referred to his statement at the special general shareholders' meeting in Toronto on July 25 when he said:

". . . one of the purposes of this meeting is to approve an increase of the authorized common stock of the company to permit of the proposed issue of additional shares of the company. the proceeds of which will reimburse the working capital of the company which has been drawn upon heavily for capital expenditures and thus put the company in its customary strong financial position and enable it to continue to pay present dividends from its current earnings and, if necessary. from its large earned surplus.

"Naturally if business conditions in the future are such that this should become inconsistent with the best permanent interests of the company, the dividend policy of the company would have to be reconsidered in the light of such conditions."

Supplies for 2½ Months

"This brings up the question of the company's inventories, which have been reported as excessive," continued Mr. Stanley to The Financial Post. "During 1929, the company dipped deeply into the stock of refined metal. The production programme has been carried on without curtailment to bring up the reserve supply, which normally is three-months requirements.

"Under the present programme, mining and smelting operations are not being curtailed, but we have slowed down on metal refining. Refined metal stocks are now equivalent to 2½ months supply—adequate for requirements."

While International Nickel Co. orders on hand have been considerably less this year than last—the decline is reported unofficially to have been 20 to 30 per cent—recent months have shown a slight improvement over the month immediately preceding. Thus, so far as this company is concerned, business trends again seem to be upward.

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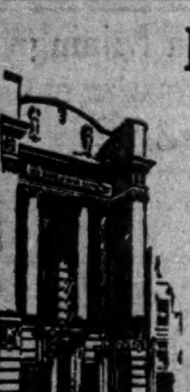
Canada Bisc.	21	North Amer. El.	21
Canada Tea	22	N. S. Storage	20
Can. Canners	9, 22	Orange Crush	23
Can. Salt	22	Ott. Valley Pr.	4, 5
Connors Bros.	19	Ogilvie Fl.	20
Can. Bud. Brew.	19	Pelissier's	18
Can. Packers	22	Phoenix El.	20
Can. Vinegars	19	Penelope Candy	18
Comm. Alc.	21	Picardy Candy	21
Cons. Bakeries	21	Price Bros.	8
Can. Malting	1, 18	P. T. Legare	22
Canada Dairies	16	Photo. Engr.	9
Can. Power	8	Prem. Royalties	9
Calgary Brew.	18	Quebec Pulp	8
Can. Ind. Alc.	9, 19	Quinte Milk	16
Conduits	12	Regal Bak.	21
Can. Vickers	1	Robin Jones	22
Can. Airways	4	Reliance Gr.	20
Cuban Can. Sugar	19	Ruddy, E. L.	9, 12
Can. Electric	27	Steel's	18
Can. Inv. Trust	5	Safeway Stores	16
Claude Neon	12	Sask. Co-op. Cream.	16
Can. Utilities	28	Sun Life	1
Can. North Pr	4	St. Law. Flour	19
C. G. I. Trust	9	Sussex G. A.	20
Cres. Cream.	16	South Can. Pr.	4
City Dairy	15	Silverwoods	16
Cons. Food	15	Sunera Cereal	22
Cr. Dom. Oil	9	Stanford's	2, 21
Dom. Textile	13	Simpsons	23
Dairy Corp.	15	Sarnia Dist.	19
David, Frere	21	Stand. Pav.	27
Dist.-Seagram	18	Steel of Can.	4, 9
Dom. Stores	1, 15	Thrift Stores	16
East. Dairies	9, 16	Traymore	23
Evangeline	15	Tor. Elevators	20
Enam. & Heat.	9	Thomson Groc.	16
Freiman. A. J.	23	Tamblyn'	16
Fed. Dist.	19	U. G. Growers	20
Fanny Farmer	21	Viau Bisc.	21
Federal Grain	13	Walker	11, 18
Fed. Grain	20	West. Can. Flour	20
Gyp. Lime	9	Wayagamack	9
Gurd, Charles	23	Wentworth Rad.	24
Gurd, Maritime	23	Windsor Hotel	9
Ham. Leather	23	Wabasso	3
Hudsons Bay	23	West. Grocer	23
Holt-Renfrew	3, 22	West. Grain	11, 20
Harding Carp.	2	West. Can. Flour	27
Ham. Dairies	15	Winn'p'g Elec.	4
Honey Dew	23	Waterloo Mfg.	11
Holsum Pack.	23	Westons	21
Hunts	9, 16	Whittall Can	22
Highland Dairy	16		

MINES AND OILS

Abana	27	Howey	26
Alexander Gold	26	Keeley	25
		Nipissing	27
Barry-Hollinger	27	Noranda	26
Base Metals	27	Seven Troughs	26
Dome	27	Sherritt-Gord.	26
Falconbridge	26	Waite-Highwood	26



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STANFORD LOSS FOR PAST YEAR; DEFICIT $200,779

Bring in Chain Store Specialists from New York

ESTABLISH RESERVES

Deficit Largely Result of Placing Finances in Stronger Position

From Our Own Correspondent

MONTREAL.—Important changes have occurred in the situation surrounding Stanfords, Ltd., operating ten retail meat markets in Montreal. The company has signed a management contract with William B. Nichols & Co., chain store specialists of New York, for a five year period from August, 1930.

A constructive revision of Stanfords' balance sheet position has been undertaken by the new management, resulting in a net deficit as at August 30, 1930, of $200,779. This deficit is largely due to the establishment of reserves, hitherto omitted, for depreciation, deferred maintenance, sinking fund requirements on the first preferred stock and income tax.

Write Off Depreciation

Since the inception of the present company in 1927, no apparent provision had been made for depreciation or other reserves. The balance sheet as at August 30, 1930, shows the establishment of various reserves amounting to $211,574. This includes provision for depreciation, income tax and preferred stock sinking fund since 1927. The bankers associated with sale of preferred stock originally are understood to have protested vigorously against the policy of paying dividends that would impair working capital, even threatening an injunction. The present reorganization followed.

A comparison of balance sheets is hardly feasible in view of the different accounting methods employed by the new management in setting up reserves omitted in previous years. The balance sheet as at August 30, 1930, however, shows cash on hand and marketable securities at cost price, less reserve for depreciation in market value, carried at $55,254 as compared with $85,457 in the previous year. Accounts receivable, less reserve for bad and doubtful debts, are valued at $50,040, as compared with $62,714.

Inventories Are Lower

Inventories, less depreciation reserve, are valued at $33,697 as opposed to $36,100 in 1929. Fixed assets stand at $792,451 as compared with $789,675. Leases and trademarks are still valued at $3,066.

The balance sheet shows a lack of working capital with current liabilities amounting to $203,714 as compared with current assets of $138,991. The previous balance sheet shows a working capital of $14,445.

In liabilities, accounts payable and loans total $203,714, as compared with $169,826. Reserves amount to $211,574.

Following is a statement of earnings and surplus as at August 30, 1930:

August 30, 1930	
Net loss after deprec.	86,346
Deprec. in invest.	31,536
Less:	
Income from invest.	1,782
	98,100
Add:	
Preferred dividends	36,750
	134,850
Add:	
Deprec. for previous periods	111,499
Sinking fund (1928-1929)	3,000
	249,349
Less:	
Previous surplus (subject to depr., sinking fund and income tax)	48,570
Net deficit	200,779
August 31, 1929	
Net earnings (incl. unrealized profit on sec.)	$ 89,532
Less:	
Preferred divds.	49,000
Common divds.	15,000
*Surplus for year	25,532
Add:	
Previous surplus	23,038
	48,571

* Before depreciation, sinking fund and income tax.

In Stronger Position

While the changes in the balance sheet show that a major operation has been undertaken, it is claimed that evidences of recovery are already apparent. Costs have been materially reduced since August of this year and sales are reported to be showing improvement.

The situation surrounding Stanfords, is reported to have been unsatisfactory during the last fiscal year. Sales were falling off and operating costs were comparatively high. Though earnings on the common stock for the three years ended August 31, 1929, showed increases, no provision for depreciation or taxes was made. The setting up of these reserves, covering a period of years, of necessity comes as a shock.

Dividends Deferred

Dividends on the first preferred stock were deferred on August 1, 1930, though payments on this and the second preferred had been maintained up to that time at the rate of 7 per cent. Further, a dividend of 25 cents a share was paid on the common stock in December, 1927, and was maintained quarterly until March 15, 1929.

Following the annual general meeting of shareholders on October 21, a new board of directors was elected. This now comprises L. S. Colwell, president; Henry N. Chauvin, K.C., vice-president; P. F. McCaffry; E. Cumberland; G. Hale Pulsifer; H. S. Vipond, K.C.; E. E. Vipond, K.C. and J. G. Weir have retired from the board.

Stanfords, Ltd., was founded in 1905, but public investment interest dates from April, 1927. The capital structure consists of $500,000 7 per cent, first preferred; $200,000, 7 per cent second preferred and 20,000 shares of no par value common.

The first preferred was publicly offered at par with a bonus of four shares of common with each 10 shares of preferred.

Remarks to Shareholders

In his remarks to shareholders, L. S. Colwell, president of the company said:

"During the past year it became evident that the affairs of Stanford's Ltd., would benefit by a change in management. To this end arrangements were concluded whereby a new general manager took charge of your business on August 6, 1930, and whereby your company will have the benefit of the supervision and advice of William B. Nichols and Co., Inc., a New York company specializing in the management of chain stores.

"Concurrently with the adoption of a more modern financial policy and more informative system of accounting your new management has put into effect new policies of economy, and up-to-date merchandising methods. Operating expenses are being reduced, adequate depreciation reserves, and also accrued and deferred maintenance reserves, have been set up, which, while they have been the main cause of the large deficit shown in our balance sheet. will save and protect the company's earnings and strengthen its position for the future.

"We are encouraged by the wholehearted spirit of co-operation shown by all employees. With this assistance an improvement in efficiency has already been accomplished and we believe that shareholders may confidently look forward to a marked betterment of the year.

Kingston Elevator Filled to Capacity

From Our Own Correspondent

MONTREAL.—Plant of the Kingston Elevator Co., a subsidiary of Canada Steamship Lines, has been brought into operation and is presently filled to capacity. The elevator was completed a short time ago at Kingston at a cost of about $2,500,000.

The existing unit has a capacity of 2,500,000 bushels. Further additions planned for the future will increase its capacity to 4,000,000 bushels of grain.

An issue of $1,500,000 Kingston Elevator 6 per cent first mortgage bonds was offered in May, 1930. The bonds are unconditionally guaranteed by Canada Steamship Lines.

No Prospect Of Dividend For Hardings

Although several looms are working on night shift to supply the demand for its products, there is no prospect of Harding Carpets, Ltd. commencing payment of its preferred dividend for some time yet, The Financial Post learns.

Harding Carpets, Ltd., was financed in December, 1927, by the issue of $750,000 of 7 per cent preferred stock, cumulative as to dividend from Jan. 1, 1928. As no dividends have been paid as yet on this stock, shareholders exercise voting power until arrears have been paid off.

Very keen competition, much of which is of a cut-throat nature is given as the reason for the company's financial position showing very little improvement. The company's fiscal year ends October 31, but as a rule the annual report is not made available to shareholders until the annual meeting which, last year, was held on January 6. The only earnings statement available as yet is that for the year ending Oct. 31, 1929, which shows earnings from operations of $47,152 and a net profit for the year of $3,226. Although the company should considerably improve this showing for the fiscal year just ending, earnings are said to be still far from sufficient to warrant payment of preferred dividends.

The company started operations at Brantford, Ont., about March, 1928. Its plant and property comprise some 8½ acres and 100,000 square feet of ground floor space. The preferred stock was issued at par in December, 1927, by Dickson, Joliffe & Co., each share carrying a bonus of common stock.

Lake Superior Shareholders May Exchange Old Stock

From Our Own Correspondent

MONTREAL. — Shareholders of the Lake Superior Corp. who have failed to exchange their old par value shares for the new ordinary shares of no par value have received a letter pointing out the stock exchanges has ruled that the old certificates are no longer good delivery.

In order that the shares may be in a position to be sold for delivery, stockholders are advised to send their old certificates to the transfer agents for exchange. Certificates can be sent to the transfer agents unendorsed and new certificates for a like number of shares will be issued and forwarded.

The exchange is in accordance with the action of the stockholders of Lake Superior Corp at the annual meeting held October 2, 1929.

BRAZILIAN PROFITS PRECEDING REVOLT WELL MAINTAINED

September Showed First Decrease in Net—October Will Tell Tale

CIVIL WAR GROWS

Stock Dividend Payable Dec. 1—Fractional Shares Must be Converted

Brazilian Traction Light & Power Company's net earnings for the nine months, preceding the civil war starting in October, show an increase of 4.69 per cent from $21,069,569 for the first nine months of 1929 to $21,168,463 for the first three quarters of 1930. In September there was a decrease in net earnings of 1.68 per cent to $2,381,310 as compared with September of 1929. Gross earnings at $36,066,347 were down 2.34 per cent for the nine months, and the net earnings increase was made possible by a drop in operating expenses of 6.08 per cent to $14,897,884.

September's gross earnings at $3,906,162 showed a drop of 7.50 per cent and operating expenses were down 15.44 per cent to $1,524,852.

Civil War Trend Uncertain

Conflicting reports from Government and rebel sources continue to come by cable as to the actual course of the conflict. The company's action in declaring a stock dividend so as to conserve cash and limit the necessity of transferring funds as much as possible will probably be continued until the war is over and the exchange value of the milreis once more established. The shares comprising the stock dividend will rank for dividend from December 1, 1930, but as no dividend can be paid on a fractional part of a share, shareholders will have to get enough fractions to make a whole share as the dividend was on the basis of one share for every fifty shares held. These fractional certificates can be bought or sold so that traders can get an even number for converting into whole shares. Fractional certificates and whole shares can be split to facilitate this process up to January 31, 1931, by applying to the company's transfer agents at Toronto, Montreal or London. Shareholders will have to pay income tax on this stock dividend just as much as though it had been in cash. The price of Brazilian when the dividend is paid will probably govern the amount of tax.

Business is Affected

Uncensored despatches to New York City newspapers state that Sao Paulo citizens are panic-stricken by a report that rebel officers are tempting their men by a promise of looting that rich city. This conflicts with a report that they are endeavoring to win support in Sau Paulo by promises of quite another character. Business has been badly demoralized in coastal cities and it is probable that this will show in the earnings report for October of Brazilian Traction if that company is able to make a report. Banking regulations are continued by the Government. Remittances to outside points will be discouraged.

CAN. VICKERS IMPROVEMENT IS MAINTAINED

(Continued from page 1)

plation. Accordingly prospects for additional work in this division are not altogether unfavorable.

Marine Work Light

The Marine department has experienced a good summer season. Like the structural and aeroplane sections, however, more work would be welcomed for this unit. The unsettled conditions in the St. Lawrence navigation this year has not been productive of the ususal volume of work for shipbuilding and repairing companies.

Taken as a whole, however, Canadian Vickers has been able to record definite improvement in its position this year. The betterment is largely due to the management's aggressive efforts to place the company on a sounder and more efficient basis. Various economies and readjustments have been made.

The work done along this line can better be appreciated by knowledge of the fact that the dollar volume business handled this year has been less than in 1929. Expenses have been less than in 1929. Expenses have been proportionately less, with the result that net earnings have been larger than a year ago.

While the improvement in earnings has been marked, there is no reason to anticipate an early resumption of dividends on the preferred stock. It is likely that the management will continue its present policy of building up the company and creating larger and stronger reserves, before attemtping to put the preferred stock back on a dividend basis.

MAPLE LEAF SHAREHOLDERS SHOULD HOLD PREFERRED

(Continued from page 1)

would do better to take into consideration that the company might have to wait seven years or longer before dividends are renewed. They should wait for at least one more annual report in order to see what success the company is having. Before first preferred shares in earnings, interest and sinking fund have to be paid on an additional $5,000,000 in bonds which were outstanding on March 31, 1929.

Maple Leaf Milling Co. will no doubt strengthen its personnel in various departments of management, in the directorate as the years go by. But the last year has undoubtedly crippled it for awhile. Its reputation for product has always been good. It has good officers and is understood to be looking for the best technical brains it can find. The company should be watched. A comeback is always possible. In this case it is probable, but the early stages may be the slowest.

The company's promise to issue a further statement of earnings at the end of six months as of Jan. 31, 1931, must be commended. It will be of real benefit both to shareholders and those who will watch the company to see when it is worth while commencing the purchase of the first preferred stock.

Dominion Power Shares Are Succeeded By Stubs

Common shares of Dominion Power & Transmission Co. have been withdrawn from trading on the Toronto Curb following the payment of $50 per share on the purchase price paid by Hydro-Electric Power Commission of Ontario. With the withdrawal of the stock Dominion Power & Transmission Co. "stubs" have been added to the list and are quoted at 16 bid and 18 asked.

The exact amount to be paid on the "stubs" in final and complete payment for the company has not been definitely determined and will not be paid until 1932 when the company's affairs are finally wound up. It is anticipated that approximately $23 will accrue to each stub bringing total payment on each share of old common to $73.

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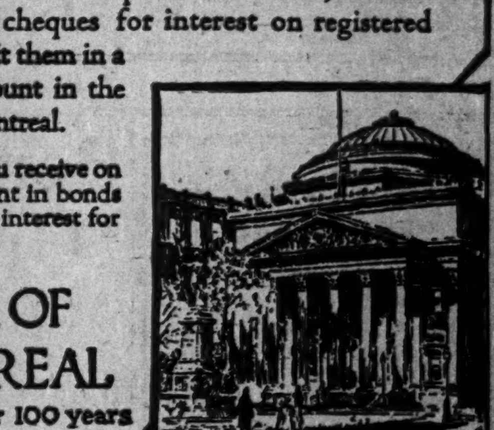

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Maple Leaf Report Reveals Great Loss n Sixteen Months

Milling Company Surplus Reduced by $5,300,000 in Fiscal Period Ended July 31—Loss on Operations $3,000,000 Compared With $1,075,000 Profit

PROFIT UNDER NEW MANAGEMENT

"Unauthorized Speculations" by and Advances to Former Officers Cited in Statement to Shareholders as Reason for Company Falling on Evil Days—Further Questions Likely to be Asked Oct. 27

Though operations of Maple Leaf Milling Co. are once more on a profitable basis and there is real reason for shareholders to look forward hopefully to the future, holders of preferred and common stocks will be sure to demand at the annual meeting full particulars of how their large accumulated surplus of $5,410,690 as of March 31, 1929, has been almost entirely dissipated in the course of the 16 months which followed.

That it will be one of the most unpleasant stories in the history of Canadian finance can well be believed in view of the fact that the financial statement and report to shareholders quite baldly and definitely says that 'the unfavorable showing of the company is due, in large measure, to speculations which were made by the management, without the authority of the board of directors" and that there were also "losses due to bad debts arising, for the most part, from unauthorized advances."

"On discovery of these unauthorized accounts, as well as the unauthorized speculations," says the report signed by the new president, C. W. Band, "the resignations of the officers in question were requested, and the company is consulting with its legal advisers as to what further steps should be taken.

Put Major Nash in Charge

"We are glad to report that Major A. E. Nash, F.C.A., of the firm of Clarkson, Gordon, Dilworth, Guilfoyle & Nash, joined the board early in September, was immediately appointed managing director, and a thorough reorganization of the company is in progress.

"We are also pleased to report that the company has been operating profitably since the beginning of the present financial year (Aug. 1, 1930), and the board looks forward with confidence to the company's future.

"For the time being we have decided to discontinue dividends, but they will be resumed at the earliest moment it seems prudent to do so.

"In order that you may be kept advised, the board will issue a further statement at the end of six months operations of the company, which will be as of January 31 next."

It may be said here that in the financial statement presented at the annual meeting on June 25, in 1929 the accumulated surplus as of March 31, 1929, is shown at $3,060,161, while in the consolidated balance sheet as of the same date, after giving effect to the issue of $5,000,000 5½ per cent first mortgage 20-year bonds and a new appraisal of properties, the surplus is shown at $5,410,690. As the bond issue is a permanent obligation of the company and the new appraisal still stands, it is the lattel balance which is shown brought forward into the income report for the 16 months under review.

Profits Change to Loss

The comparative profit and loss accounts for the last three years are as follows:

	16 mos. ending July 31 1930 $	Year ending Mar. 31 1929 $	Year ending Mar. 31 1928 $
Losses from oper*	3,031,321	......	......
Oper. earn.	......	1,076,704	......
Income from invest.	162,770	132,622	......
Net deficit	2,868,550	......	......
Net earnings	......	1,209,326	513,293
Less:			
Bond interest	316,009	113,376	117,343
Tax prov.	......	98,000	......
Bad debt res.:			
Trade accts.	326,860	......	......
Form. officers	862,590	......	......
Depr. res.	343,297	......	......
Bond issue exp. 1923 writ. off	127,074	......	......
Def. charges†	148,775	......	......
Net profits	......	997,950	395,950
Net deficit	4,993,157	......	......
'A' pref. divs.	248,202	205,100	205,100
'B' pref. divs.	70,446	......	......
Surp. for year	......	792,850	190,850
Year's deficit	5,306,804	......	......
Prev. surp.	‡5,410,690	2,267,311	2,076,461
Car. for.	103,886	‡3,060,161	2,267,311

* Before providing reserves as shown but including losses from unauthorized speculations. † Deferred charges re expansion of Canadian business, amount written off. ‡ See remarks in paragraph preceding foregoing table.

Public Believed in Maple Leaf

Common shareholders, many of whom did not receive a single dividend since 1923, except this year, when operations did not justify it, will feel a stark sense of loss when they look at this income statement. They had been more or less resigned to the fact that dividends were not paid them because they had seen the accumulated surplus rise from $1,641,447 in 1924 to $3,060,161 in 1929; they were confident that sooner or later these accumulating funds would be disbursed to common shareholders in a way which would pay them for their long wait.

The general public also felt that these successive statements were bringing near such a period, and market valuations ran high.

Such was the confidence of the general public that the $5,000,000 5½ per cent bond issue sold to the general public in June, 1929, at 97½ increased the general satisfaction in the company and its affairs. The consolidated balance sheet put out at this time showed the accumulated surplus increased from $3,060,161 to $5,410,690 after redeemi..g 6½ per cent mortgage bonds already outstanding. It placed a much heavier interest burden ahead of the dividends, but shareholders took without question this financial step as indicating that the company would use the money in a way which would increase revenue after bond interest rather than diminish it. This confidence was heightened by the action of the company in the same month in asking the shareholders to ratify a split of the 25,000 shares of the old $100 par value common stock into 25,000 shares of class "B" no par value preference shares and 100,000 shares of no p.r value common stock on the basis of one share of the old common for o..e of the new "B" preferred and four shares of the new common stock. Dividends were paid on the class "B" stock and shareholders looked forward to another hold of some years, hoping the continued growth of the company would repay their patience.

Speculation Made Bad Times Worse

The 16 months under review have not been easy months for any milling company. As Mr. Band says in his letter to shareholders, "During this time Canada, in common with other countries, has witnessed a drastic decline in commodity values, and the milling industry throughout the Dominion has suffered as a result of these adverse conditions, over which it had no control."

Shareholders could stand losses of that kind with comparative equanimity, knowing that time would remedy the situation. They do not take kindly to the additional fact that, as Mr. Band says, "the unfavorable showing is due, in a large measure, to speculations which were made by the management, without the authority of the board of directors." Nor will they take kindly to the fact that an additional sum of $862,590 had to be appropriated to cover losses made through unauthorized advances to former officers and employees.

Mr. Band says that the company holds security against the larger portion of these debts, consisting principally of shares in the Maple Leaf Milling Co. Shareholders will want to know whether these shares are common, class "A" or class "B" preferred shares so as to get an idea how soon there may be a chance of recovering these amounts. Certainly, the financial statement is conservative in its presentation of the case, seeing that $862,590 is written off the unauthorized advances, while the balance sheet shows an asset of $583,159 defined as "sundry accounts, including amounts due from former officers, less amounts reserved for." The write-off and this asset together total $1,445,749, an amount which evidently represents unauthorized advances to former officers and employees, less some sundry accounts.

More Information Wanted

The total of these unauthorized advances should be shown more clearly and probably will be if questions are asked at the annual meeting. It is evident that the hope of the shareholders for a recovery of these advances, aside from what can be recovered directly from the unauthorized borrowers, must rest on the future growth of the company and a consequent increase in market valuation of the shares see the company getting financially stronger. The company is now operating profitably, and if through management and a reinforced directorate of proved acumen the company is brought again to a position of great financial strength shareholders will eventually be rewarded. They have little to lose and all to gain by waiting.

Public interest was greatly aroused by the annual statement for the year ending March 31, 1929, in that it showed the net earnings more than twice as large as in the previous year and the earnings on the old common stock at $31.71 a share as compared with $7.63 in the preceding year. Whether this result included gains made from speculative transactions there is no means of knowing, but shareholders will have a right to know how long this system of unauthorized speculative transaction had been going on and if the unauthorized advances to officers and employees are peculiar to 1929 and 1930. In view of the issue of $5,000,000 bonds in June, 1929, and the splitting up of shares in a manner which excited the public to believe that the company was doing exceptionally well, the times and duration of these transactions become still more a matter of public interest.

Bonds and Banks Aid Company

The financial statement also makes it apparent that the company has been able to present as good a statement as it has through the money received from the $5,000,000 bond issue of which part was used to retire $1,725,000 of 6½ per cent bonds outstanding and the remainder for "general corporate purposes," and because of the aid from the banks. This may be seen from the following table showing the working capital position of the ompany as shown on March 31, 1929, for the annual meeting on June 25, as shown in the financial statement published on June 28, 1929, to showing the effect of the new appraisal and of the bond issue for $5,000,000 as of March 31, 1929, and the working capital shown in the present financial statement for the 16 months ending July 31, 1930, where assets and liabilities are understood to be conservatively displayed:

Working Capital Position

	Mar. 31 1929	Mar. 31 1929 after bd. issue	July 31 1930
Curr. assets	6,915,599	9,361,063	*5,246,542
Curr. liabs.	5,604,040	5,279,649	7,438,817
Work. cap.	1,311,559	4,081,414	2,192,275
Comparative Inventories			
Invent.	3,756,751	6,679,222	3,137,986
Comparative Bank Advances			
Bank adv.	3,738,957	3,314,787	5,925,267
Comparative Investment Holdings			
Investments	3,384,456	2,047,664	*2,323,841

* There are also Maple Leaf Milling Co. shares held as security against unauthorized advances to officers and employees.

Changes Are Significant

It will be observed by the foregoing tables that money from the $5,000,000 bond issue permitted the working capital to be increased at once by more than $2,700,000, that this was accomplished in the main by increasing inventories by more than $2,900,000, that ban.. advances were reduced by another $400,000 and that investments were reduced by more than $1,300,000, the latter item possibly permitting another sum of money to be available. This was about the time in 1929 when experienced operators were aware that the crop in Western Canada would be a half crop and it was the time when many other operators, using their own money, believed that wheat would sell at $2 a bushel before the year was out. There was intense optimism about the price of wheat but in Europe buyers were holding off from North American supplies while taking cheaper Argentine and Australian wheat as well as European crops were larger than usual. The immediate jump in inventories in the two balance sheets for the same date needs elucidation.

The large increase in bank advances to the company is also shown in the above tables. The item of $5,925,267 is made up as follows: an item of $3,925,267 "secured by inventories and receivables" and another item of $2,000,000 "secured by shares of controlled companies." This is the first financial statement of the company in recent years to show in what way bankers advances are secured.

It would appear that this latter amount has been advanced to the company in order to allow it to strengthen its position to its present point. Considering that the $2,000,000 is secured by shares of controlled companies, one might be justified in including investments of $2,323,841 among the current assets (the latter item includes $2,090,533 for shares of controlled companies). This would make the current assets and investments $7,570,385 as compared with current liabilities of $7,438,817; and if the item of $583,159 shown for amounts due from former officers were also included, there would be current and semi-liquid investments of $8,153,544, or working capital of about $714.727.

It is understood that the $2,090,533 shown for shares of controlled companies is a conservative figure, that most of these companies are doing well and that market valuations are much in excess of this figure. These shares would be stock of Canada Bread Co., Canadian Bakeries, Dominion Bakeries, Eastern Bakeries, Hedley Shaw Milling Co. and Campbell Flour Mills.

Fixed Assets Were Appraised

In the new balance sheet fixed assets are shown in greater detail.

Whereas at the annual report for March 31, 1929, read at the annual meeting, the fixed assets were shown at $6,991,664 and at $8,533,335 in the balance sheet for the same date after taking into account the money received from the $5,000,000 bond issue and a new appraisal made at that time by the Canadian Appraisal Co., the balance sheet now sent to shareholders shows the fixed assets at $8,616,666 divided as follows: $6,821,967 for "real estate, buildings plant and equipment (appraised depreciated value as at March 31, 1929) plus additions at cost," and $1,794,699 for "appraised value of leases and contracts." In the balance sheet of March 31, 1929, before the appraisal the depreciation reserve was shown at $1,801,371.

In the appraisal the higher valuation given was after deducting all this depreciation. Therefore the new balance sheet starts building depreciation again. The write-off shown in the income statement is $343,297. Goodwill and trademarks were first shown in the March 31, 1929, balance sheet at $236,044, but after the appraisal and the bond issue the valuation was raised to $929,401 and as of July 31, 1930, these appear at $954,401.

Among the amounts written off during the year as shown by the new income statement were $127,074 for bond issue expense (1923) and $148,775 for deferred charges re expansion of Canadian business. The following "deferred charges" assets are shown in the balance sheet as well: $379,367 for 1929 bond discount and expenses, $279,495 for deferred operating expenses and $120,000 for business extension expenses, less amounts written off.

Of the $5,000,000 bond issue in 1929 there remained on July 31, 1930, after redemptions, outstanding bonds of $4,897,500. Subsidiary bonds outstanding include $1,100,000 of Campbell Flour Mills Co. 5½ per cent first mortgage bonds pledged to trustees for the $5,000,000 bond issue of Maple Leaf Milling and $750,000 similar bonds of Hedley Shaw Milling Co. similarly pledged. while there remained outstanding $126,100 of Hedley Shaw 6 per cent first mortgage bonds due 1935. The funded debt outstanding is therefore $5,074,432, including $50,832 bond interest due and accrued.

Start Up Reserves Anew

Reserves evidently make a fresh start: $361,342 for accounts receivable; $343,297 for depreciation; and $154,000 for contingencies. Contingent liabilities mentioned in a foot-note cover a guarantee of Eastern Bakeries preferred dividend, customers' bills under discount of $190,077 and a $6,000 guarantee of the Canadian Flour Export Co. Bank indebtedness.

Class "A" 7 per cent.

Preferred stock still remains at 29,300 shares of $100 par value, Class "B" no par value preference stock at $500,000 for the 25,000 shares issued and 100,000 no par value common stock at $2,000,000, but from this total of $5,430,000 balance sheet valuation of the capital stock there is deducted $402,300 par value of shares held by subsidiaries. The latter item covers 2,305 shares of 7 per cent Class "A" preferred stock, 1,718 shares of Class "B" preferred and 6,872 shares of no par value common stock, the two latter stocks being carried at $20 a share and the Class "A" preferred at the par value.

Some Expansion Occurred

The company did considerable expanding at the beginning of the year. In July, 1929, Eastern Bakeries began operating at Saint John, N.B., with large plans for Maritime expansion. The Port Colborne plant was extended by a storage elevator, a feed mill and a bag plant.

Changes in directorate and management occurred during the year.

The real excitement began in July, when The Financial Post announced in succeeding issues the following changes: first, the retirement of A. R. Macdonald, general manager; and next, the resignation of James Stewart, president, the latter being succeeded by Charles W. Band, former vice-president. Norman P. Lambert was appointed acting general manager to take Mr. Macdonald's place, and shortly afterwards Major A. E. Nash, prominent chartered accountant, was appointed managing director. In view of the large increase in banking indebtedness the latter move appears to be an indication that the largest creditors are now practically in charge and are determined that future operations shall be financially sound and in order. The statement that present operations are encouraging and profitable therefore comes with greater force than would otherwise be the case.

Changes Made in Directorate

The changes in directorate and officers during the last year are shown by the following lists:

Directorates—Then and Now‡

	March 31, 1929
President	James Stewart Resigned (1930)
General Mgr.	A. R. Macdonald
Man. Dir.	....
Vice-pres.	Chas. W. Band
Directors:	James Stewart
	H. J. Symington
	Chas. W. Band
	D. A. Campbell Resigned (1929)
	Robt. Cooper
	D. L. Cameron
	E. R. Decary

	July 31, 1930
President:	Chas. W. Band
General Mgr.:	N. P. Lambert*
Man. Dir.:	A. E. Nash, F.C.A.
Vice-pres.:	H. J. Symington
Directors:	H. J. Symington Winnipeg
	Chas. W. Band
	R. Cooper Welland
	D. L. Cameron Vancouver
	E. R. Decary Montreal
	J. L. Henderson
	R. S. Waldie
	A. E. Nash

* Acting general manager.

‡ Changing interests in company will probably be followed by changes in directors representing these interests and it is understood that it is intended to build up as strong a technical milling staff as it is possible to get.

In conclusion there may be quoted here the certificate of Edwards, Morgan & Co., chartered accountants, dated October 9, 1930, as follows: "We hereby certify, subject to the under-noted matters, that the above consolidated balance sheet in our opinion correctly sets forth the position of Maple Leaf Milling Co., Ltd. including its subsidiaries, The Campbell Flour Mills Co., Ltd., and Hedley Shaw Milling Co., Ltd., as at July 31, 1930.

"Our examination has included the verification of the position of Maple Leaf Milling Co., Ltd., at head office, Toronto, and at branches in Winnipeg, Kenora and Port Colborne. The statement submitted by New York office has been incorporated without verification and we have accepted the certificate of your internal auditor as to the position of all other branches.

"No verification has been made of the position of Hedley Shaw Milling Co., Ltd., since the balance sheet of March 31, 1930. The statement as at July 31, 1930, has been incorporated in the above balance sheet without verification.

"Verification of the position of The Campbell Flour Mills Co., Ltd., has been made by us as of July 31, 1930."

This certificate is signed on behalf of the board by C. W. Band and H. J. Symington.

The annual meeting is called for October 27 at noon.

Head New Montreal Investment House

J. EUG. LAJOIE — HENRI ROBITAILLE

Lajoie, Robitaille and Co. has been recently formed to take over the retail department of the banking firm of Versailles-Vidricaire-Boulais, Ltd. The new organization will deal in government, municipal and corporation bonds, and in fixed investment trust securities.

WABASSO COTTON OPERATES PLANTS AT HIGHER RATE

Activities Speeded Up to Around 65 Per Cent of Capacity

From Our Own Correspondent

MONTREAL. — Wabasso Cotton Co. has increased the rate of its plant operations as the result of recent changes in tariff regulations. Additional workers have been taken on and the plant is now operating at about 65 per cent of capacity.

Consolidation of its subsidiaries, St. Maurice Valley Cotton Mills, Limited, and of Shawinigan Cotton Co., has resulted in various economies, and it is understood that operating costs have been reduced.

In previous years these two subsidiaries were operated as separate companies, but the last balance sheet published by Wabasso Cottons at June 30, 1930, showed a consolidation of assets while the profit and loss account showed a similar situation.

Earnings in the last fiscal year showed an improvement over the previous period. After all charges, there was a deficit of $52,360 as compared with a deficit of $109,677 in the previous year.

Further improvement in the company's operations is anticipated as the effects of the new tariff regulations become more apparent. An important factor in the increased earnings last year was the company's production of celanese weaves. Wabasso was forced to reorganize its production following the decline in demand for fine white cotton goods which formerly comprised the major portion of its output.

A considerable portion of its equipment was turned over to the weaving of celanese materials, and a good market has been established for these goods. Losses sustained in 1928 were reduced by fifty per cent in 1929, and further improvement may be anticipated during the current year.

The shares have been quoted at a higher figure recently on the Montreal Stock Exchange. Some transactions in the common were made this year around 35, but recent quotations are in the neighborhood of 48 asked. No dividend has been paid on the common stock since October, 1928.

HOLT-RENFREW CO. SALES REFLECTING BUSINESS DECLINE

Maintains Strong Position Despite Falling Off in Sales

From Our Own Correspondent

MONTREAL. — Though sales of Holt, Renfrew & Co. are reported to have shown some decline during the current year, it is understood that the common dividend is not endangered. The company is now entering the busiest season of its fiscal period and a seasonal upswing in earnings is anticipated. The company operates retail stores dealing in furs, men's and ladies' read-to-wear clothing in Montreal, Toronto Quebec and Winnipeg.

A dividend of 3 per cent is paid on the $1,000,000 of common stock outstanding. This dividend was inaugurated in July, 1928, and has been maintained to date. Senior to the common, there is a 6½ per cent bond issue of $503,500 outstanding and $1,000,000 of 7 per cent preferred stock.

Earnings of $256,466 in the fiscal year ended January 31, 1930, showed a drop as compared with $387,488 shown in the previous year. Despite this decline, after all deductions there remained a sum equal to $9.08 a share on the common last year. Profits applicable to the junior security in the two previous years were equal to $19.5 and $18.22 respectively.

During 1929 the company purchased the Montreal store property and paid $175,000 cash on account of the purchase price. The balance was carried at $303,750 in the last balance sheet.

It is reported that the liquid position of the company has been well maintained. At the end of January, 1930, working capital amounted to $1,733,340 with a ratio between current assets and laibilities of 57 to 1.

Holt, Renfrew & Co. was originally engaged in the fur trade, but later extended its operations to include the retailing of high-grade clothing and dress wear. Reorganization was effected in 1919 when the present company was formed.

At that time the preferred stock wa. offered at $98 a share with a bonus of 25 per cent common stock. The common has shown a steady appreciation through the years on the Montreal Stock Exchange. In 1923 the common shares were quoted around 10; in 1929 they touched a high mark of 135.

The shares seldom make this appearance on the Montreal Stock Exchange but recent quotations have been in the region of 105.

Detroit-Canada Tunnel Will Open November 1

Detroit & Canada Tunnel Co. should complete the tunnel between the business districts of Detroit and Windsor this week and open it for traffic on Saturday, November 1.

It is understood that the company has already forty motor buses to handle traffic between the terminal in downtown Windsor and the Cadillac Square Terminal in Detroit. The time for the journey is estimated at from three to four minutes.

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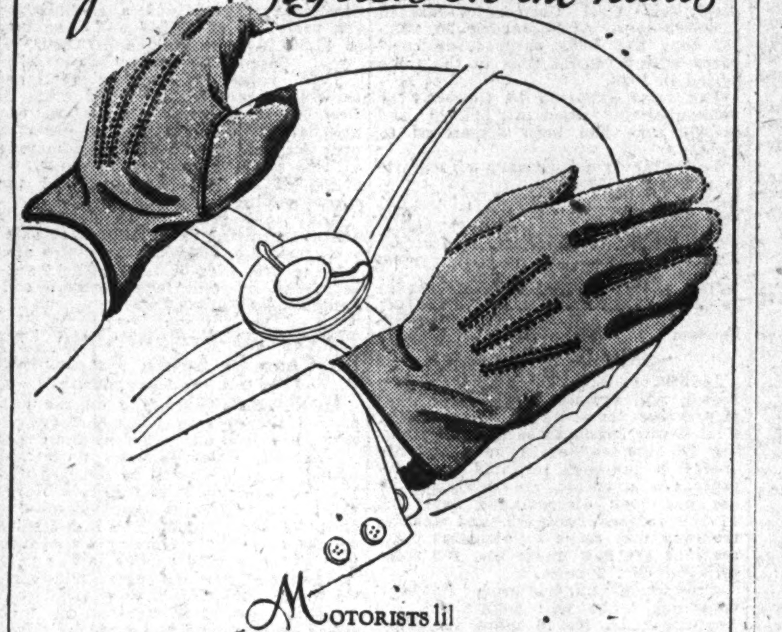

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POWER SHORTAGE INCREASES COSTS OF 'PEG ELECTRIC

Brings Stand-by Plant Into Operation to Boost Output

From Our Own Correspondent

MONTREAL.—Winnipeg Electric Co. has been forced to generate power in its standby plant as a result of a water shortage on the Winnipeg River. It is anticipated that higher operating costs resulting from operation of the steam plant will be alleviated in the near future by recent heavy rains and the release of storage water from Lac Seul, which is expected to bring the river back to a level sufficiently high to produce the necessary power.

The power shortage of Winnipeg Electric Co. has been aggravated since the company is under contract to supply the City of Winnipeg with a minimum of 20,000 h.p. daily and a maximum of 30,000 h.p. It has been pointed out, however, that the company's obligations to its own customers rank ahead of the city's contract, since the cause of a power shortage is beyond its control.

Build For Future

Both the City of Winnipeg and Winnipeg Electric Co. are seeking to eliminate a recurrence of power shortages in the future through construction of new plants. An additional development at Slave Falls where about 75,000 h.p. will be undertaken by the city, while Winnipeg Electric Co. at Seven Sisters Falls is undertaking a potential development of 225,000 h.p. The first three units are expected to be completed about 1932 and will produce approximately 42,000 h.p.

Though earnings of Winnipeg Electric Co. have shown a decrease during the current year, revenue during 1930 will reflect a full twelve months' income from the company's larger investment in Manitoba Power Co., a subsidiary. Winnipeg Electric now holds 120,473 shares of Manitoba Power's capital stock, on which two dividends of $1 have been paid this year. Thus the parent company has received $240,940 this year in dividends from its subsidiary.

Holdings Are Larger

Earnings of Winnipeg Electric in 1929 did not reflect this revenue. The company formerly held about 60 per cent of Manitoba Power stock but in October, 1929, an offer was made to exchange Winnipeg Electric shares for those of its subsidiary on a share for share basis. Through this offer Winnipeg Electric secured a further 29,483 shares bringing its total holdings up to 120,473 shares of Manitoba Power. Dividends from this source are equal to over $1 a share on the common stock of Winnipeg Electric Co.

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S. CANADA POWER BRINGS TO CLOSE SIXTH CAMPAIGN

Preferred Shares to the Number of 10,600 Are Sold

From Our Own Correspondent

MONTREAL. — Southern Canada Power Co. has completed another customer ownership campaign by the disposal of 10,600 shares of 6 per cent cumulative preferred stock. Issuance of the additional shares will bring the total number of preferred shares outstanding to 74,409.

The stock was offered to customers at $106 per share with the result that $1,123,600 of new money was obtained. Funds will be employed for extensions as they are required to the company's system.

The management is well satisfied with the results of the campaign. Previous offers of a similar nature have been conducted under more favorable circumstances, and the fact that the company has disposed of the additional stock in a time of business depression and declining security values is considered.

Have Been Feature

Customer ownership campaigns have been a feature of the operations of Southern Canada Power. In 1922, a small offering of 2,000 shares was made at $90 a share. The size of the offering has gradually been increased until the last two years they reached a total allotment of 10,000 shares each year. The price has also become more favorable to the company until it is now $106 a share.

The company closed its last fiscal year on Sept. 30 and the financial statement, which will be available in a few weeks, is expected to show further progress.

Steady Monthly Gains

During the past year monthly earnings have recorded a steady increase and for the twelve months ended Aug. 31, 1930, net earnings totalled $1,309,023 as compared with $1,244,346 in 1929, an increase of 5.20 per cent.

In the last fiscal year ended Sept. 30, 1929, net earnings were $1,348,549 or the equivalent of $15.91 a share on the preferred stock, after provision for interest, depreciation and bad debts. Earnings on the common were equal to $1.23 a share.

CAN. NORTHERN PWR. FINISHES CAMPAIGN

Sells 5,059 Preferred Shares to 1,762 Customers In Short Time

From Our Own Correspondent

MONTREAL. — Canada Northern Power Corp. has concluded a successful customer ownership campaign with 1,762 customers subscribing for 5,059 shares of the company's 7 per cent preferred stock.

The sale was conducted under the direction of Customer Ownership Co. of Canada, which is associated with the Nesbitt Thomson group of companies. An offering of 5,000 shares was made.

In the campaign, purchasers were limited to ten shares, and it is interesting to note that the final distribution of the stock averaged less than three shares to each purchaser. Issuance of the new stock will bring Canada Northern Power Corp. preferred shares outstanding to $2,036,800.

Expansion in Mining

A letter recently forwarded to shareholders stresses the expansion which is being undertaken in the different mining camps served by the company. The statement continues in part:

"The expansion programmes at the established mines served by our company are making excellent progress, notably at the Lake Shore Mine in Kirkland Lake, where there new milling equipment is being installed, their connected load having been increased by 2,000 h.p. during September.

"The new crusher plant and mill extension at the Teck Hughes Mine is nearing completion, which will materially increase their power demand within the next few months.

"In the Porcupine district, increased activity is also most noticeable, the rebuilding of the Dome Mill, and the construction of the new mill at the McIntyre mine being outstanding features, which will naturally call for increased power requirements.

"The Noranda mine in the Province of Quebec is steadily adding to its utilization of power, while the operations at the Amulet continue at the full capacity of their equipment.

"The Tough Oakes mine in Kirkland Lake has been re-opened, operations being conducted by the Bunker Hill Extension Mines and satisfactory progress is being made in the exploration work which they have undertaken, and there is every probability that their mill will be in operation in the near future.

"At Noranda, we opened a store on Sept. 2, for the sale of electric appliances, which brings up the number of similar stores to ten.

"The company's pulp mill continues to be operated at capacity and our various plants are being maintained in a satisfactory condition."

Beauharnois Power Pours Concrete for First Unit

From Our Own Correspondent

MONTREAL. — Beauharnois Power Corp. is pouring 100 cubic yards of cement every hour into the foundations of its new plant at Beauharnois. The mixing and pouring equipment has been brought up to its rated capacity. Concrete has been poured for the intakes and draught tubes for first two 8,000-h.p. auxiliary units, and it is now being poured for the installation of the first 50,000 h.p. unit in the plant.

To date, the company has spent over $4,000,000 on construction equipment, designed to handle material on the lowest cost basis possible. This equipment has already moved more than 8,000,000 cubic yards or about one third of the total which must be moved for the initial 200,000 h.p. installation in the plant.

In addition to the $4,000,000 spent on excavating and construction equipment, orders placed to date for power house and generating equipment total $5,400,000. At least 3,000 men are employed in the assembly and erection of the power plant equipment, in addition to the 2,300 men who are now on the payroll at Beauharnois.

To Add to Galt Plant of Newlands and Co.

From Our Own Correspondent

MONTREAL.—Substantial additions to the worsted spinning plant of Newlands & Co., in Galt, are planned. The addition comprises new buildings and machinery, and will afford more employment.

It is expected new machinery will be in operation in two months' time. Modern spinning frames are being installed for production of finer counts of yarns used in weaving worsted cloth. Installation of this plant is a direct result of the new Canadian tariff on weaving yarns.

National Light Increases Output

From Our Own Correspondent

MONTREAL. — National Light & Power Co., operating the electric light and power system in Moose Jaw, increased its kw.h. output during the first eight months of 1930 by 23 per cent over the corresponding period of 1929. The company recently signed contracts with the Saskatchewan Power Commission to supply energy for two new power lines, one from Moose Jaw to Caron and Mortlach and the other to Elbow, Central Butte, Riverhurst and Rosetown and for the city of Swift Current, whose plant the commission recently purchased.

National Light & Power Co. purchased the Moose Jaw plant, formerly operated by the city, early in 1930. The plant is being enlarged to accommodate a new 10,000 kw. unit and various extensions are being made to improve efficiency.

STEEL OF CANADA MILL OPERATIONS HALF OF CAPACITY

Current Activity Around 55 Per Cent of Capacity

From Our Own Correspondent

MONTREAL.—Operations of the Steel Co. of Canada are being conducted at about 55 per cent of capacity at present. Since blast furnace operations in Canada during July and August were at 48 per cent of capacity, the rate of Steel of Canada's operations can be regarded as satisfactory in relation to the whole.

Business of the company will fall substantially below that of last year, according to information. Such an occurrence is to be expected, especially in view of the fact that earnings in 1929 were the highest in the history of the company. After all deductions there remained a sum equal to $6.70 a share on the common stock, before taking the participating feature of the shares into consideration.

Add to Plant

During the current year, however, Steel of Canada has carried out further extensions and additions to its plant while the equity back of the preferred and common shares has been strengthened by the redemption of $331,673 of 6 per cent bonds for sinking fund purposes. The funded debt of the company now totals $4,726,591, and compares with an original issue of $10,000,000 in 1910.

Construction work has included the remodelling of the fencing plant at Dominion Works, Lachine, and erection of a new plant for the manufacture of galvanized wire, fencing and barbed wire at Canada Works, Hamilton. A new ore dock at Hamilton, costing several million dollars, is nearing completion.

Use Welland Canal

When the new Welland canal is placed in operation and the new dock is used, all ore which is now delivered by vessel at Point Edward, Ont., and shipped from there to Hamilton by rail, will be delivered direct to the Hamilton plant The major portion of coal required for the production of coke will also be handled over this dock.

Unloading and retaining equipment will consist of two ten-ton unloading bridges with spans of approximately 375 feet. The storage yard for the winter supply of ore and coal, affording ample accommodation for necessary tonnage, will be approximately 1,500 feet long by 370 feet wide.

WABANA SHIPMENTS OVER MILLION MARK

Total Exports to End of September Fall Below Last Year

From Our Own Correspondent

MONTREAL. — Shipments of ore from the Wabana mines of Dominion Steel and Coal Corp. now exceed 1,000,000 tons. At September 30, 983,832 tons had been shipped, as compared with 1,066,511 tons in the same period in 1929.

The total exported to Germany at September 30 stood at 506,711 and 447,465 tons had been dispatched to Sydney.

Following is a summary of exports to October 1, 1930.

	Tons
Total shipped:	
To Germany	506,711
To Sydney	447,465
To U.S.A.	26,656
To Oct. 1, 1930	983,832
To Oct. 1, 1929	1,066,511
Decrease	82,779

Stock Piling Begun

Indications are that shipments this season will remain below the figures of previous years. Stock piling at No. 4 mine was begun as early as September 25, the earliest time that this operation has been initiated for some years. As a result, transportation of ore has been discontinued over one of the surface haulages, and another tramway may cease activities as preparations are now under way for stock piling at No. 2 mine.

Production underground, however, continues to be well maintained. On September 19, No. 6 mine succeeded in making a new record of 1,968 tons, as compared with 1,944 tons, the previous high figure.

B. C. Electric Railway Makes Further Gains

From Our Own Correspondent

MONTREAL. — Earnings of British Columbia Electric Railway and its subsidiaries, in September, 1930, showed a substantial gain over the corresponding month in 1929. Gross income was larger and expenses were reduced.

Following are comparative figures:

	Sept., 1929	Sept., 1928	Increase
Gross	$1,169,278	$1,206,579	$37,301
Expenses	784,097	769,419	*14,678
	$385,181	$437,160	$51,979

*Decrease.

Another interesting comparison is between earnings for September and the two preceding months:

	July, 1930	Aug., 1930	Sept., 1930
Gross	$1,196,239	$1,194,390	$1,206,579
Expenses	791,431	795,822	769,419
Net	$404,808	$398,568	$437,160

OTTAWA VALLEY POWER OUTPUT GOES TO HYDRO

Chats Falls Scheme Under Control of New Company

From Our Own Correspondent

MONTREAL.—All primary power generated by the Ottawa Valley Power Co. at the Chats Falls development will be absorbed by the Ontario Hydro-Electric Commission under a forty-year contract. The contract calls for delivery of one-half of the company's ultimate output as from Oct. 1, 1931, and of the full amount from Oct. 1, 1932.

The development, which is on the Ottawa River about 35 miles above Ottawa, will have an initial installed capacity of 224,000 h.p., generated by eight turbine units each rated at 28,000 h.p. Provision will be made for the latter installation of two similar units, bringing the total productive capacity up to 280,000 h.p.

Two Parties Interested

Ottawa Valley Power Co. formerly was known as the Chats Falls Power Co. Half of the installation, lying within the Province of Ontario, will be owned by the Ontario Hydro-Electric Power Commission, and the other half, lying on the Quebec side of the interprovincial boundary, will be owned by the company. Construction is being carried out under the supervision of joint executive and engineering boards, each consisting of two appointees of the commission and two of the company.

Placing of concrete in the main dam and power house site is progressing rapidly. A modern concrete and crushing plant is installed and in operation, which is designed to turn out 1,500 cubic yards of concrete a day. To date, 60,000 cubic yards of concrete have been placed. Plans are complete to use 1,500 men with about 1,200 regularly employed at present.

Build Rock Dyke

Chats Falls is formed by a dyke of rock about 3½ miles wide extending across the Ottawa River three miles below Chats Lake. The river finds its way between numerous islands on this site so that the falls consists of a number of chutes, which re-unite in Lake Deschenes immediately below.

Between Chats Lake and the falls, there is a stretch of rapid water in which the river drops 15 feet. From the pool above the falls to Lake Deschenes, the drop is about 36 feet and the total head under which the power plant will operate is therefore about 51 feet.

Raise Water Level

Development now being carried out incudes construction of a dam along the dyke which will raise the water level in the pool above it up to the high water level of Chats Lake; construction of a power house at the foot of Mohr Chute, the largest of the various falls; flood control sluices at the head of each of the major chutes and a log slide, railway and other appurtenances of a major hydro-electric development.

Orders already placed for equipment, including generators, turbines, transformers, etc., reach a total of several million dollars. This equipment is being manufactured by a number of Canadian firms, including Dominion Engineering Works, Canadian General Electric and the Canadian Westinghouse Company. An important order for steel sluice gates was awarded to Dominion Bridge Co.

NEW ENGLAND POWER RECORDS PROGRESS

Sales of Appliances Show Encouraging Gains in August

From Our Own Correspondent

MONTREAL.—In the twelve months ended July 31, 1930, New England Power Corp. earned its 6 per cent preferred dividend by a margin of $7.18 a share and earnings on the common stock were equal to $5.07 a share. There were outstanding at July 31, 1930, 658,080 shares of preferred and 932,281 shares of common stock.

Gross operating revenue amounted to $38,514,287 and net earnings were $19,939,146. After deduction of depreciation of $3,284,882 and other charges, there remained a net profit of $10,180,790.

After payment of subsidiary dividends, preferred and common dividends, there remained a surplus for the period of $2,916,648 and a balance of $7,867,956 was carried forward.

Appliance Sales Gain

Total value of domestic appliance sales in September by retail units of New England Power Association was $163,547, an increase of 12.5 per cent over August. In the first nine months of this year sales have amounted to $1,666,352 or 23.2 per cent over the corresponding period of last year.

Additional consumption of electric energy resulting from September sales is estimated at 692,000 kw.h. Sales during the first nine months of this year represent an additional annual consumption of 7,028,000 kw.h.

Newsprint Freight Rate Case is Again Adjourned

From Our Own Correspondent

MONTREAL. — Hearing on the suspended increase in newsprint freight rates, has been adjourned by the Board of Railway Commissioners until 24th of next month. It will be recalled that the railways sought to impose a higher rate on newsprint southbound to United States points. The last session opened on October 7, being a continuation of those held earlier in the year.

Newsprint manufacturers and users on both sides of the international boundary protested against the proposed increase and had experts in traffic management give testimony to the injury which they claimed would afflict their businesses should the new schedule be made effective. On the other hand, the railway companies produced witnesses who sought to prove that the new rates were fair and reasonable.

Public Utility Earnings

Winnipeg Electric

September—	1930	1929	Decrease
Gross earnings	$470,649	$497,162	$26,513
Operating exp.	335,331	328,443	*6,888
Net earnings	$135,318	$168,719	$33,401

*Increase.

Brazilian Traction

September—	1930	1929	Decrease
Gross. earn.	$ 3,906,162	$ 4,225,416	$319,254
Oper. exp.	1,524,852	1,803,361	278,509
Net earn.	2,381,310	2,422,055	40,745
Agg. gross†	$36,066,347	$36,931,796	$865,449
Agg. net†	$21,168,463	$21,069,569	*98,894

*Increase.
†From January 1.

Ottawa Valley Power Company

5½% First (Closed) Mortgage 40-year Sinking Fund Gold Bonds

This Company is developing Chats Falls, the largest power site on the Ottawa River, jointly with The Hydro-Electric Power Commission of Ontario.

The Commission has contracted to purchase all primary power to be generated for a period of forty years.

Estimated average annual net earnings under this contract are more than twice interest requirements on these bonds.

Price 95¼ and accrued interest to yield over 5.80%

NESBITT, THOMSON & COMPANY
LIMITED
Royal Bank Building, TORONTO, 2

Montreal Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Victoria Vancouver

361

AIRWAYS FIRM HOLDS ACTIVITIES AT HIGH STANDARD

Canadian Airways Reports 99 Per Cent Efficiency in Third Quarter

From Our Own Correspondent

MONTREAL.—During the three months ended Sept. 30, Canadian Airways, Ltd., a division of Aviation Corp. of Canada, operated its services at 99 per cent of efficiency. The firm operates the mail routes from Montreal to Toronto, Hamilton, Windsor and Detroit; from Montreal to Quebec and from Montreal to Saint John and Moncton. In addition, mails are flown between Ottawa, Montreal and Rimouski to connect with ocean steamers calling at Father Point.

Canadian Airways' planes flew a total of 176,524 miles with mails during the quarter and a total of 191,040 miles altogether. Flying time was 1,942 hours. In that period there were carried 691 passengers and 56,811 pounds of mail. Further 408 sight-seeing passengers were taken up at St. Hubert airport, during the visit to Montreal of the airship R-100.

During July, August and September, a total of 21 trips was made between Montreal and Moncton in three and a half hours or less. The distance between these two points is 480 miles.

Few Forced Landings

From January, 1929, to the end of September, 1930, the mail mileage scheduled was 866,490. During this period of 21 months, only fourteen landings were made for mechanical reasons, half of these being caused by extreme cold weather. Only 96 forced landings were made on account of bad weather. On many of these occasions, mail was flown through to its destination later in the day.

Aviation Corp. of Canada is the name of the company which will have under its control Western Canada Airways, Canadian Transcontinental Airways, Canadian Airways and other companies, the whole providing a Dominion-wide air service.

Railways Are Interested

Both the Canadian National and the Canadian Pacific Railways are interested in the organization and the Federal Government, while it has no financial stake in the company, is not disinterested in its success.

No public financing has been undertaken by Aviation Corp. The necessary funds have been provided from private sources. James Richardson, Winnipeg, is understood to have control through majority of stock ownership.

Canadian Airways is the most important subsidiary operating in Eastern Canada while the mail services in Western Canada are largely operated by Western Canada Airways. Details of plans of Aviation Corp. are expected in the near future.

Annapolis Valley Electric Seeks Alteration in Rates

From Our Own Correspondent

MONTREAL.—Annapolis Valley Electric Co. has filed a petition with the Nova Scotia Board of Commissioners of Public Utilities, seeking approval for an alteration in its schedule of rates for the supply of electric power and energy in all territories served by the company.

Pacific Coast Paper Mill Scheme Active

From Our Own Correspondent

MONTREAL.—Howard P. Cole, of New York, who is heavily interested in Vancouver and British Columbia timber properties, is continuing active negotiations for the establishment of a pulp and paper mill on the Fraser River. Other New York interests are reported to be interested in the enterprise and have had representatives visit the Pacific Coast.

The timber lands controlled by Mr. Cole are held by the Great West Timber Corp., which offered bonds to the Canadian public not long ago. These securities carry the personal guarantee of Mr. Cole, who in turn is the controlling interest in the corporation.

Surface Water Supply Survey Issued by Ottawa

From Our Own Correspondent

MONTREAL. — Volume 62 of the Water Resources Paper, which deals with the surface water supply of Canada, has been issued by the Dominion Water Power and Hydrometric Bureau of the Department of the Interior.

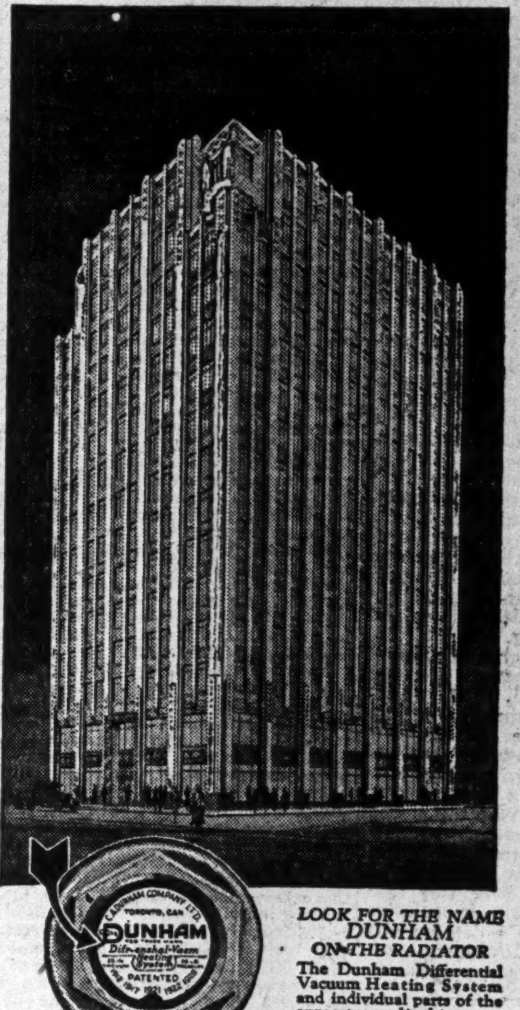
This number contains the results of investigations made by the Survey during the climatic year October 1, 1927, to September 30, 1928, in Alberta, Manitoba, Saskatchewan and Western Ontario. The report contains a short explanation of the purpose and scope of the work and 202 pages of stream flow and meteorological data, with an index map showing drainage areas and the location of the gauging stations.

Copies of this report may be obtained free of charge upon application to the department.

New Stock Yard Addition

The modern, new, double deck sheep pen under course of construction by the Union Stock Yards of Toronto, Limited, is fast nearing completion. It is being erected to meet the growing demand for greater accommodation for this class of livestock and it will be one of the finest buildings of its kind.

The Dunham Differential Vacuum Heating System



Business moves most swiftly in a comfortable building

LOOK FOR THE NAME DUNHAM ON THE RADIATOR
The Dunham Differential Vacuum Heating System and individual parts of the apparatus used in this system are fully protected by Canadian Patents Nos. 282,193; 282,194 and 282,195 and U.S. Patents Nos. 1,644,114 1,706,401 and 1,727,965. Additional patents in Canada, the United States and foreign countries are pending.

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Toronto

Owners: York-Piper Co. Ltd.
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General Contractors: L. Coldoff & Co.
General Structural Contractors: Sullivan & Fried. Ltd.
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All of Toronto

The dollars and cents value of comfort bulks large in business. Here is the statement of one owner of a large building.

"We are installing a Dunham Differential System not only because it will save fuel, but because our large office staff is to be housed in our building. Good working conditions for the staff will pay us the kind of returns we want for our heating investment."

Modern business men know the value of comfort and demand space that is well-lighted, well-ventilated, and correctly heated. These services pay for themselves time and again in increased office efficiency.

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The York-Piper Building, the latest addition to Toronto's fine downtown commercial structures, offers the advantages of Dunham Differential Heating.

Good Heating Costs Less
Dunham Differential Heating actually costs less, year by year, than ordinary "hot" steam heating. The reason is simply that the Dunham Differential System delivers the right amount of heat for comfort—and no more. There is no mild-weather overheating to waste fuel.
Records of operating costs for many buildings will be gladly furnished upon request. Write for literature about "cool" steam heating.

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Participating ownership in 10 of the Canadian leading Corporations Common Stocks, and in 15 of the American leading Corporations Common Stocks, in the proportion of about 75% and 25% respectively.

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The Tariff and Employment

The Beauharnois Project

Industrial Securities as Investments

How to Invest $5000 Safely

These are some of the subjects discussed in our Monthly Investment Letter for October. Investors will find it useful. A copy will be sent on request.

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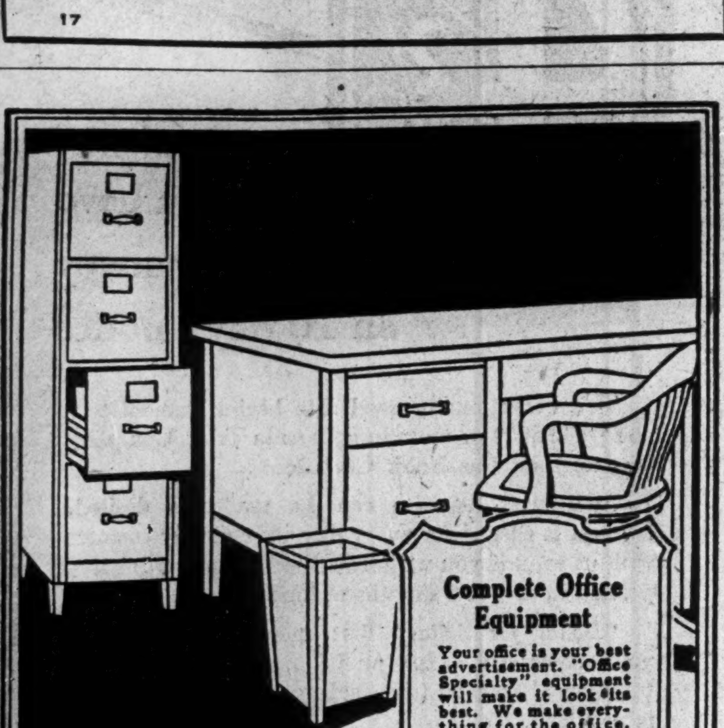

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News of Investment Markets

OTTAWA VALLEY OFFERS $9,000,000 TO YIELD 5.80%

Company Developing Site at Chats Falls With Ontario Hydro

From Our Own Correspondent

MONTREAL. — Royal Securities Corp. and Nesbitt, Thomson & Co., are offering $9,000,000 of Ottawa Valley Co., 5½ per cent, first mortgage bonds at 95¼ to yield over 5.80 per cent. The company was formerly known as the Chats Falls Power Co.

Ottawa Valley Power Co. owns or controls all the water rights in Quebec at Chats Falls under a provincial lease extending for 75 years from March 1, 1926. Water power rights on the Ontario side at the same site are held by the Hydro-Electric Power Commission of Ontario.

All primary power to be generated at the site has been contracted for by the Commission for a term of 40 years from October 1, 1931, subject to the company's right to withdraw power for sale in Quebec. The contract calls for delivery of 48,000 horsepower from October 1, 1931, and a further 48,000 horsepower from October 1, 1932.

Equitable Agreement

The total initial installation will be 224,000 horsepower. The Ottawa Valley Power Co. and Ontario Hydro-Electric Commission have agreed that each is entitled to one half of the water available for power and under agreement have in course of construction a joint development of the entire site at Chats Falls.

Following are details of the bond issue:

$9,000,000
Ottawa Valley Power Co.
5½% First Closed Mtge. 40 Year Bonds
Dated Oct. 1, 1930; due Oct. 1, 1970.

Company—Holds water power rights in Quebec at Chats Falls, on Ottawa River. Developing site jointly with the Hydro-Electric Power Commission of Ontario.

Plant—Total initial installation, under plan of joint development, will be 224,000 horsepower.

Joint Management—Executive and engineering boards have been constituted, two members representing company and two representing Ontario Hydro.

Power Contract—Calls for delivery of all primary power, except that required by the company from time to time for use in Quebec, to Ontario Hydro. Contract is for 40 years from Oct. 1, 1931, and calls for delivery of 48,000 h.p. on that date; and further 48,000 h.p. from Oct. 1, 1932.

Security — First closed mortgage and hypothec on water power rights, plant, dam and other fixed assets; a specific charge on company's interest in joint development agreement and on the 40 year contract for sale of power; and a first floating charge on all other assets.

Earnings — Are estimated on basis of 96,000 h.p. delivery at $1,017,000, before depreciation, income taxes, etc. This does not include any revenue from sale of surplus power.

Sinking Fund—Commencing Oct. 1, 1936, of $45,000 plus annual interest of bonds redeemed.

Offer—Royal Securities Corp., and Nesbitt, Thomson and Co., at 95¼ and accrued interest, to yield over 5.80 per cent.

Bond Sales

TOWNSHIPS OF TECK & LEBELL, ONT.

A. E. Ames & Co. has been awarded $15,000 5½ per cent 20-installment debentures of the Townships of Teck and Lebell, R. C. School Section No. 2, guaranteed by the Province of Ontario on a bid of 105.69; cost basis to the municipality of 4.84 per cent.

Bids for the issue were as follows:

1	A. E. Ames & Co.	105.69
2	Dominion Bank	105.58
3	Dyment, Anderson & Co.	104.75
4	R. A. Daly & Co.	104.03
5	C. H. Burgess & Co.	103.92
6	Gairdner & Co.	103.77
7	W. A. McKinnon & Co.	102.45

TOWNSHIP OF McGILLIVRAY, ONT.

Dyment, Anderson & Co. has been awarded $31,285 5½ per cent 10-installment debentures of the Township of McGillivray, guaranteed by the County of Simcoe, Ont., at 102.59; cost basis approximately 4.97 per cent.

Bids for the issue were opened October 16 and were as follows:

1	Dyment, Anderson & Co.	102.59
2	Harris, McKeen & Co.	102.52
3	Stewart, Scully & Co.	102.263
4	W. A. McKinnon & Co.	102.11
5	Gairdner & Co.	102.073
6	Wood, Gundy & Co.	102.00
7	C. H. Burgess & Co.	101.77
8	R. A. Daly & Co.	101.70
9	J. L. Graham & Co.	101.53
10	H. R. Bain & Co.	101.12
11	Bell, Gouinlock & Co.	100.96
12	Matthews & Co.	100.136

VILLAGE OF COLBORNE, ONT.

Canadian Bank of Commerce has been awarded $23,000 5½ per cent 20-installment debentures of the Village of Colborne, Ont., on a bid of 102.77; cost basis 5.17 per cent. Bell, Gouinlock & Co. entered the highest bid for the issue of 102.84 but this was not accepted. Bids were as follows:

1	Canadian Bank of Commerce	102.77
2	Bell, Gouinlock & Co.	102.84
3	J. L. Goad & Co.	102.41
4	J. L. Graham & Co.	102.125
5	R. A. Daly & Co.	102.12
6	C. H. Burgess & Co.	101.79
7	Gairdner & Co.	101.77
8	Harris, McKeen & Co.	101.41
9	Dyment, Anderson & Co.	101.40

TOWN OF BRADFORD, ONT.

Stewart, Scully & Co. has been awarded approximately $40,000 5 per cent 30-installment debentures of the town of Bradford, Ont., guaranteed by the County of Simcoe, at 101.83; cost basis approximately 4.84 per cent. Bids were called on $40,000 to $45,000 of debentures depending on price received by the town and the amount has not as yet been definitely fixed. Bids for the issue were as follows:

1	Stewart, Scully & Co.	101.83
2	Wood, Gundy & Co.	101.822
3	Dyment, Anderson & Co.	101.64
4	A. E. Ames & Co.	101.15
5	Gairdner & Co.	101.03
6	J. L. Graham & Co.	100.875
7	Fry, Mills, Spence & Co.	100.78
8	C. H. Burgess & Co.	100.50
9	Matthews & Co.	100.13

SASKATCHEWAN

Debentures Reported Sold

Schools—Sheldon No. 4879, $4,000, 10 yrs., 6¾%, H. M. Turner & Co., Regina; Alpine No. 2991, $2,000, 15 yrs., 6¾%, H. M. Turner & Co., Regina; Kindersley No. 2628, $8,000, 15 yrs., 6%, H. J. Birkett & Co., Toronto; Montford No. 4875, $3,500, 15 yrs., 6¼%, Waterman-Waterbury Mfg. Co.; Long No. 4884, $4,500, 15 yrs., 6½%, Ole Branvold, Macoun.; Maiden Lake No. 440, $3,000, 15 yrs., 6%, Town of Melfort Sinking Funds; Mountain Creek R. T. Co., $3,000, 10 yrs., 6%, Regina P. S. No. 4 Sinking Fund; Keddleston R. T. Co., $4,500, 10 yrs., 6%, Geo. Moorhouse & Co., Regina.

Nova Scotia Light Will Offer Stock

From Our Own Correspondent

MONTREAL. — Nova Scotia Light & Power Co. has extended the scope of its issue of 5,000 shares of 6 per cent preferred stock which was recently offered to shareholders at 97. Customers of the company and its associated companies may also take advantage of the offer on similar terms. At 97 the return to the investor is 6.2 per cent.

Nova Scotia Light & Power carried out a customer ownership campaign in Halifax, Dartmouth and vicinity, two years ago. Expansion recently carried out through acquisition of Avon River Power Co., will afford a wider distribution for the company's preferred stock. The offer will expire on November 1, 1930.

TRUSTEE HOLDINGS MAKES OFFERING TRUSTEE SHARES

Each Share Represents 1/2,500th Part of Single Unit

From Our Own Correspondent

MONTREAL.—Trustee Holdings Distributors, Ltd., are making an offering of Canadian International Trustee Shares at $9.75 a share. Each share represents 1-2,500th participating non-voting ownership in a unit of common stock deposited under a trust agreement. The unit is composed of ten leading Canadian common stocks and fifteen American common stocks.

The corporations underlying the trustee shares have an average unbroken dividend record of thirty years. They are all listed on the New York Stock Exchange or Montrea Stock Exchange, with the exception of Imperial Tobacco and Imperial Oil which are listed on the Montreal Curb Market.

The trust terminates as a whole on Dec. 31, 1955, but any shareholder may terminate his interest in the trust at any prior date. A repurchase market will be maintained at all times on Canadian International Trustee Shares by the sponsors and distributors, it is stated.

In addition, an emergency market is provided for in the trust agreement, which allows the holder of a full unit of Trustee Shares, 2,500, to surrender them to the trustee and receive in exchange, certificates of the deposited stock forming the unit, together with the applicable reserve fund and accumulated distribution.

May Surrender Shares

The holder of a smaller number of Trustee Shares may also surrender them to the trustee and receive in exchange a sum in cash equal to the market value of the applicable portion of the deposited stock, reserve fund and accumulated distribution.

The offering price of Canadian International Trustee shares is based upon stock exchange quotations plus an arbitrary charge of 25 cents a share, plus the value of the proportionate aggregate amount of accumulated cash and other property held by the trustee. A charge of 5 per cent of the offering price is added for cost of distribution and profits. Current quotations are $9.75.

General Trust of Canada is the trustee and the depositor is the Depositor Co. of Canada.

Bond Issue of $500,000 Offered by Grey Sisters

From Our Own Correspondent

MONTREAL.—Hamel, Fugere & Co. Ltd., is offering $500,000, 5½ per cent, twenty- year serial bonds of the Order of the Grey Sisters, Montreal. It is stated the issue has received the necessary ecclesiastical authorization necessary from Rome.

Funds obtained from this issue will be used in part for building an additional wing to the hospital in Saskatoon, directed by the Grey Sisters. The bonds are a direct obligation on the Mother House, and they are secured by a first mortgage on the property of the hospital in Saskatoon.

The mortgaged property comprises the actual hospital, valued by the City of Saskatoon at $397,000 and new constructions valued at $500,000.

The Order of the Sisters of Charity of the General Hospital of Montreal, commonly known as the Grey Sisters, was founded in Montreal in 1737. The Order undertakes charitable, educational and hospital work.

Pemberton & Son Buy West Vancouver Bonds

From Our Own Correspondent

VICTORIA, B.C.—Pemberton & Son, Ltd. has recently purchased an issue of $165,000 5 per cent debentures of West Vancouver maturing in 1961. The municipality received a price of 101.061 which is reported to be the highest price ever obtained by West Vancouver for its bonds for a cost basis of approximately 4.933 per cent on the new money.

Proceeds of the issue will be used for the development and extension of the municipal water system.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Laurentide Power	5%	1946	Jan. 1	105
Do.	5½%	1946	Jan. 1	101
Pk. Lawn Ceme.	7%	25-yr. ser.	Dec. 1	102
Foreign Issues—				
Danish Cons. Mun. Loan	8%	1946	Feb. 1	107½
French Nat'l Mail Steamship Lines	7%	1949	Dec. 1	103
Greek*	7%	1964	Nov. 1	100
Belgium Stabilization	*7%	1956	Nov. 1	105
Buenos Aires	*7½%	1947	Nov. 1	100
Bank of Chile	*6%	1962	Nov. 1	100
Do.	*6%	1961	Oct. 31	100
Peruvian Nat. Loan	*6%	1960	Dec. 1	100
Irish Free State Loan	*5%	1960	Nov. 1	100
Republic of Chile	7%	1942	Nov. 1	100
Do.	*6%	1963	Nov. 1	100
Rep. France	5%	1980	Nov. 1	†
Italy	*7%	1951	Dec. 1	100
Est. Railroad Co. of France	7%	1954	Nov. 1	105

*In part. †At rate of 1,500 francs per 1,000 franc bond pay. U. S. currency at present rate of exchange.

KISS BEVERAGES SEEK FINANCING TO EXTEND SALES

Offer $200,000 8% Preferred With Bonus of Common

Kiss Beverages, Ltd., Kitchener, Ont., is undertaking public financing through the offering of $200,000 of 8 per cent cumulative redeemable preference stock of $100 par value with which there is a bonus of one share of common with each share of preference stock. The company manufactures a non-carbonated soft drink and a full line of carbonated beverages which are reported to be in good demand in Kitchener.

Proceeds of the present financing will be used to build a new plant and extend operations of the company which was first organized in 1928 with a production capacity of some 30 cases a day. Production has been increased until present capacity is 72 cases per hour and with the new plant which it is estimated will be in operation by the end of December, 1930, capacity will be 300 cases per hour.

Sales Improve

During the last four months of 1928, sales amounted to 1,500 cases; in the 15 months ended April 15, 1930, sales totalled 32,000. In the 5½ months ended September 25, 1930, sales amounted to 57,019 cases which gave a net profit before income tax of $14,004. The company estimates that for the full year ending April 15, 1931, sales will total 112,300 cases and profit will be $27,026.

The company was incorporated in Ontario in April, 1930. The directors are as follows: Hon. W. D. Euler, M.P., F. Wellington Hay, T. W. Seagram, W. P. Clement, W. H. E. Schmalz, O. W. Thompson, I. A. Shantz and C. P. Mason. The details of the offering of preference shares are as follows:

$200,000
KISS BEVERAGES, LIMITED
8% CUMULATIVE REDEEMABLE PREFERENCE SHARES

Capitalization—(On completion of present financing).

	Authorized	To be Issued	Par Value
8% cum. redeem. pref.	$250,000	$200,000	$100
Common	25,000 shs.	20,000 shs.	n.p.v.

Dividends—8 per cent per annum; payable semi-annually on October and April 15. Cumulative.

Redeemable—At any date after 30 days' notice at $110.

Security—A special reserve fund equal to 2½ per cent of the amount of preference shares outstanding is to be set aside annually before payment of any common dividends. This reserve fund may be used only for the purchase or redemption of preference shares and for preference dividends when no other funds are available.

Earnings—For the 5½ months ended September 15, 1930, earnings, before income tax, are reported to have been $14,004. Earnings for the year ending April 15, 1931, net profits are estimated by the management to be $27,016.

Offer—$200,000, October, 1930, at $100 per share plus a bonus of one share of common stock with each share of preferred, by H. R. Bain & Co., Toronto.

Bond Tenders

5 p.m., October 22, Village of Forest Hill, Ont.—$150,000, 4½ per cent, 30-installment debentures. Issue not awarded at time of going to press.

4 p.m., October 24, Lanark County, Ont.—$99,500, 5 per cent, 15-installment highway debentures. R. M. Anderson, tnp. clerk, Perth.

7 p.m., October 24, Village of La Malbaie, P.Q.—$81,800, 5 per cent debentures dated November 1, 1930, and maturing serially to 1950. Interest annually on November 1. L. P. Couturier, sec.-treas.

October 24, La Malbaie, Quebec—$81,800, 5 per cent debentures due 1931-1950. L. P. Couturier, sec.-treas.

(See announcement on page 13.)

12 noon, October 27, City of Saskatoon—$643,500 debentures dated November 1, 1930, maturing as follows: $226,400 in 10 yrs., $14,600 in 15 yrs., $34,000 in 20 yrs., and $368,500 in 30 yrs. Alternate bids asked on a 4½ per cent and 5 per cent coupon rate and alternate bids on interest and principal payable (1) at the Bank of Montreal in Montreal in Montreal, Toronto, Winnipeg, Vancouver and Saskatoon or (2) at these points and the agency of the Bank of Montreal in New York City. Denominations at purchasers option, $100 minimum. Andrew Leslie, City Commissioner, City Hall, Saskatoon.

12 noon, October 27, Township of North York—School Section No. 20, $45,000 5 per cent, 20-yr.; high school $35,000, 5 per cent 30-yr.; pavements $95,000, 5 per cent, 10-yr.; pavements, $45,000, 5 per cent, 5-yr.; water mains, $85,000, 5 per cent, 20-yr. H. D. Good, clerk. (See announcement on page 13).

3 p.m., October 29, Province of Nova Scotia—$4,300,000, 4½ per cent coupon debentures, dated November 15, 1930 and maturing November 15, 1960. Principal and semi-annual interest, May and November 15, to be payable in New York City at the agencies of the Bank of Montreal, Royal Bank and Canadian Bank of Commerce. Annual sinking fund at rate of one-half of one per cent of this issue to be paid each November 15. Of the total amount of the issue $2,500,000 is for refunding operations and the remainder for various public works. John Doull, provincial treasurer, Halifax.

1 p.m., October 30, Municipality of St. Andrews, Man., Guaranteed by Province of Manitoba—$17,000, 6 per cent 30-installment debentures. Final payment December 5, 1959, with principal and interest payable annually on December 5 at Dominion Bank, Selkirk, Man., and head office of the bank in Winnipeg and Montreal. Tenders to be considered on November 1. J. D. Forster, sec.-treas. (See announcement on page 13).

Noon, October 31, Brandon, Man.—$49,890, 5 per cent straight term debentures maturing as follows: $6,385, September 1, 1940; $5,038, July 1, 1937; $3,971, December 31, 1937; $36,496, December 1, 1945. Payable at Imperial Bank in Brandon, Toronto, Montreal or Vancouver. G. F. Sykes, city clerk.

November 1, Cumberland Tnp., Ont. — $98,357, 5 per cent 20-installment drainage debentures. Bids must be delivered to A. E. Morris, clerk-treasurer of the township at Vars, Ont., by November 1 or at the Town Hall, Leonard, Ont., by November 3.

November 3, Sudbury, Ont.—$173,000, 5 per cent, 20-installment debentures dated November 1, 1930. Payable Montreal, Toronto and Sudbury. H. R. Grant, treasurer. Previous call as advertised for October 20 over signature of city clerk is stated to be superseded by present announcement. (See page 13.)

Saskatchewan authorizations granted by the Local Government Board from September 27 to October 11, 1930—Schools: Hilldrop No. 1348, $4,500; Longlaketon No. 112, $3,000; Veregin No. 361, $2,000; Standard No. 2144, $1,200; Glaslyn Village No. 4849, $9,000; Village of Bracken, $3,500.

ADELAIDE-SHEPPARD BOND INTEREST PAID

Meeting of Bondholders is Called for November 14

Funds have now been deposited for the payment of September 15 interest coupons of the 7 per cent first mortgage (closed) 20-year sinking fund bonds of Adelaide-Sheppard Co. Payment of the bond interest was not made on the interest date and it is understood that the company also made other defaults in other of its covenants in the trust deed.

The Royal Trust Co. as trustee for the bondholders has called a meeting of bondholders for November 14 in Toronto. Bondholders will be asked to ratify action of the trustee in taking over the management of the property and in other actions and to appoint a committee with power to authorize the waiving of default by the company in its covenants under the mortgage deed of trust.

Capitalization of the company consists of $800,000 of 7 per cent first mortgage bonds authorized and issued in March, 1928, and 4,000 shares of no par common stock. The company owns a 16-story building in Toronto. Bonds are secured by first closed mortgage on leasehold property and on the building

See Settlement Soon for Algoma Central Bonds

From Our Own Correspondent

MONTREAL. — It is expected that the next few weeks should bring closer the long awaited settlement between the Lake Superior Corp. and the English bondholders on the various points at issue. Frank B. Common, K.C., president of the former, has sailed for England.

It is stated his visit is with a view to preparing, in conjunction with counsel for the Algoma Central Railway and Algoma Central Terminal bondholders committee, an agreement covering settlement of the Lake Superior Guarantee. The agreement is based on terms discussed in Montreal several weeks ago between the committee's representatives and the Executive Committee of Lake Superior Corp.

In this connection, it will be remembered that at the annual general meeting of the corporation held recently in Camden, New Jersey, Mr. Common, in his remarks pointed out that changed conditions since the initiation of these negotiations had enabled the corporation to adopt in these discussions an attitude more advantageous to its own interests than had hitherto been the case.

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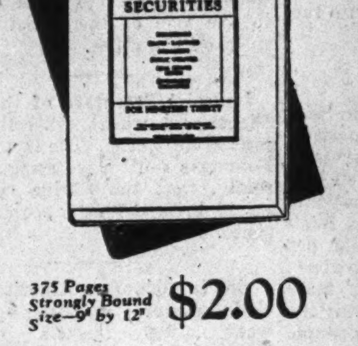

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WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Saskatchewan Schools	Oct. 11	Miscellaneous	...	....	$32,500	....	...
Bradford, Ont., Gtd. by County of Simcoe	Oct. 15	Stewart, Scully & Co.	5%	30-ins.	40,000	101.83	4.84%
Teck & Lebell Tnps. R.C.S.S. No. 2 Gtd. by Prov. of Ontario	Oct. 14	A. E. Ames & Co.	5½%	20-ins.	15,000	105.69	4.84%
Village of Colborne, Ont.	Oct. 20	Can. Bank of Commerce	5½%	20-ins.	23,000	102.77	5.17%
McGillivray, Tnp., Ont.	Oct. 16	Dyment, Anderson & Co.	5½%	10-ins.	31,285	102.59	4.97%
Sandwich, Ont.	Oct. 20	Bell, Gouinlock & Co.	5½%	3-yr.	35,280	100.25	...
			5½%	10-yr.	14,500		
			5½%	20-yr.	23,000		

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
Ottawa Valley Power Co.	Oct.	Royal Securities Corp., Nesbitt, Thomson & Co.	5½%	1970	$9,000,000	95¼	5.80%
Community of the Sisters of Charity of Montreal Gen. Hospital	Oct.	Hamel, Fugère & Co.	5½%	20-yr. ser.	500,000	100	...
Stock Issues—							
Kiss Beverages Ltd.	Oct.	H. R. Bain & Co.	8%	Pref.	200,000	*$100	...

*With bonus of one share of no par value common stock with each share of preferred.

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TORONTO, OCTOBER 23

LOST: FIVE MILLIONS

THE annual statement of the Maple Leaf Milling Company, one of the big five in Canadian flour milling, and an old established Canadian industrial corporation, does not make very pleasant reading for the shareholders. The statement of the president frankly admits that the unfavorable showing of the company is due in a large measure to speculations which were made by the management without the authority of the board of directors. The company's surplus of $5,400,000 is reduced to $100,000.

It is most amazing that the management of any industrial company can drop more than $5,000,000 of the company's assets in one year, most of it in one wild gamble in commodity markets, without the knowledge of the directors, and yet apparently this is what happened in the present instance. Those who were responsible for this débâcle have resigned from the company and have resigned from other important directorates they enjoyed. Undoubtedly, the disgrace that has followed the fruition of their serious mistake is a burdensome punishment upon them. Yet shareholders will back the reorganized directorate in the further action they promise. Inaction in matters of this kind is what provides texts for those who argue that there is one rule for the rich and another for the poor.

The recent history of Maple Leaf Milling Company lends point and emphasis to the oft-repeated statement that the most important factor in industrial investment is that of management. When the investor buys an industrial common stock he is buying, primarily, good or bad management, and the assets and connections of the company are important or unimportant in the degree that good or bad management is present. Unfortunately, there is a tendency for investors to measure management by personal wealth or by fame or notoriety. There is no infallible rule for the investor to apply. No doubt, two or three years ago, the management of Maple Leaf Milling would have been rated as high. But the group in charge proved untrue to their trust and investors lost millions. The investor's safeguard against the rare instances of apparently good management turning out to be very poor management is adequate diversification in his industrial securities.

Incidentally, it is a tribute to the basic soundness of Maple Leaf Milling that it is showing amazing resilience in its recovery from the blow dealt to it. Already, the new management which has been in charge for only a few months has been able to show an operating profit and look forward with confidence to the company's future.

CANADA HOUSE BLUNDERS

WHEN the Dominion government goes into the business of providing news to publications it should set up high standards of accuracy and should avoid comment and comparisons that are the functions of private editors and not of government officials. Some time ago, The Financial Post protested against a government news bulletin, which spoke of the low electric light rates in Ottawa and gave entire credit for them to the local hydro-electric power commission, entirely ignoring the fact that Ottawa is also served with electricity by a private company.

An even more unfair comment has just appeared in the weekly news bulletin just issued from the office of the High Commissioner for Canada in London, apparently for distribution to British newspapers. This statement says:

"An Ottawa announcement of September 23 states that the Government of Canada has appointed a Royal Commission to investigate the alleged motion picture combine under the terms of the Combines Investigation Act. This follows the recent action of the Famous Players (Canadian) Corporation in restricting its theatres throughout Canada to the exhibition of its own films and thus preventing the appearance of British films and British theatrical companies."

If the Canadian government sees fit to investigate the Famous Players Canadian Corporation, that is quite a proper function for it to assume under the Combines Investigation Act (assuming, of course, that the intra vires nature of the act is sustained in the present case before the Privy Council). But it is not the function of the government to judge this or any other private corporation before the investigation has been completed.

The investigation of the company by the government had nothing to do with its attitude toward British films and British stage plays, as the writer of the government bulletin seems to think.

How unfair the statement is may be judged from the fact that Famous Players theatres have recently shown these British films among others: "High Treason," Rookery Nook," "Atlantic," and "Splinters." It has already booked other British films.

Nor has the company aimed any blow at British theatrical companies. Some time ago it closed its booking agency, which had in the past booked not only British but American road shows, because the agency was unprofitable. At the same time, in response to public demand as shown by box office receipts, it decided to concentrate in certain of its theatres on screen plays rather than stage shows. This move affected Canadian, American and British road shows equally. It did not apply to all theatres under the company's control. Famous Players still has theatres in Canada that are available for British or American stage touring players. Recently, the British production "Marigold" sought dates in certain Famous Players theatres in Western Canada and these dates were arranged. It is simply a matter of business and in concentrating on films Famous Players is following precedent in other countries. Recently one of the Shuberts stated that there were only seventeen good theatres in the United States available for road shows. In proportion to population, Canada has almost that many now and a good proportion of them are Famous Players theatres.

The whole government bulletin is such a tissue of misinformation and unfair inferences, that it should be immediately retracted by the High Commissioner's Office.

THOSE RESOURCES

SASKATCHEWAN and Alberta assumed control of the natural resources of those provinces on the first of October, when the responsibility of administration passed to their governments from the Dominion Government, Manitoba "took over" two months earlier. Thus passed one of the problems which vexed Canadian politics for many years, and helped to perpetuate a cleavage in interest and opinion between western and eastern Canada. It used to be imagined that the continued control of western resources by the government of the Dominion was depriving the western provinces of revenue which rightly belonged to them. When the question came to be more closely examined in recent years it was found that the Dominion Government was spending practically as much in administration as it was deriving by way of revenue from these resources. But it also became apparent that administration of the resources was likely to be better conducted in the hands of the provinces than in those of the Dominion simply because of the nearness of the provincial authority and the greater degree of interest that would presumably be taken.

So now we have three western governments engaged in considering how best to bring into useful production the lands, forests, minerals and water powers that still remain under governmental authority. Provinces that have been mainly agricultural in character are learning to think in terms of industry, a fact that in itself will tend to a greater unity of feeling throughout Canada, and a greater comprehension of the various economic interests of the country.

The western governments have the best wishes of the rest of the country in the task they are undertaking, and its successful accomplishments will mean much to the whole of Canada.

SAVE OR SPEND?

SHALL we save or spend to promote a return to prosperity? Calvin Coolidge declares that is a public duty "to buy what you can afford." One of the international service clubs is inaugurating a Business Confidence Week to help put money into circulation and start buying. The club states: "The more buying, the more manufactured; the more manufactured, the more people employed; the more people employed, the more buying—the more buying, the more of the products consumed." One of the branches of the club has organized a campaign to "Bust the Buyers' Strike." The club has made it very definite by seeking to pledge 2,500 persons to spend not less than $100 each in the three days of the campaign, thus putting a quarter of a million dollars into instant circulation. Further, it plans to pledge each unmarried person with an income of $1,500 or more, to spend at least $50 in the same period.

Distinguished English and European economists would be shocked beyond measure by this philosophy. Recently Sir Robert Kindersley declared that he felt that a slightly lower standard of living would bring more happiness to the nation as a whole. He declared that it was absolutely necessary to general prosperity that money should be wisely spent. "We must," he said, "redouble our efforts toward stimulating savings and preventing unwise expenditure."

Thus we have the Americans striving to promote prosperity by encouraging extravagance and the British striving for the same end by encouraging thrift.

One campaign is superficial and probably harmless, in that people cheer more than they act under the influence of mob hysteria. The other deals with fundamentals but may be very little more effective since no man ever saves for the common good but only for his own good or that of those he loves.

THAT SOVIET WOOD

CANADIANS can hardly place much reliance upon the likelihood of any action by the United States government to stop the dumping in that market of Soviet pulpwood, even if cut or loaded by convict labor. The United States is opposed to the importation of any products of impressed or starved labor into that country. But in the present instance the opposition may be more theoretical than real.

Two facts stand out: the first is that supplies of American-grown pulpwood have dwindled to practically nothing and the American newsprint mills are ready to buy pulpwood wherever they can get it cheapest. The second fact is that so long as pulpwood can be obtained in suitable quantities and at a low figure, from some country other than Canada, American newspaper publishers will want it to come into that country without restriction, in order that a defensive sword shall always hang over the heads of Canadian pulpwood operators, groundwood mills and newsprint paper companies.

When the United States put an embargo on this Russian pulpwood, it was hastily withdrawn. Officials declared that no evidence had been submitted that the pulpwood was cut or loaded by convict labor. An investigation was promised. The investigation is not likely to amount to much. With Canada such a dominant factor in the production of American newsprint supplies, consumers of the commodity across the border no doubt want the threat of competition to remain.

TOO MUCH SILVER

THERE has been little inducement for silver mines to operate, and most of the mines in this country that produce silver as their chief product have shut down. Silver has reached the lowest price in many years. There are large stocks of silver on hand, more than the world requires, and statistically-minded observers foresee no near term improvement in silver prices.

However, Canada will probably continue to increase its output of silver because in this country silver is, to a considerable degree, a by-product of other metals. Our large base metal producers recover a substantial amount of silver from their ores. The output of their mines will be governed by the demand for base metals and, being a by-product, the output of silver will not be governed materially by the price at which it sells. The world today could stand a much smaller production of silver, but as the condition that prevails in Canada prevails throughout the world, and in fact 80 per cent of all the silver produced is produced in conjunction with other metals, there is little hope of a sharp cut in production. The decline in the purchasing power of silver affects Canada to some degree, but not seriously, and silver is not our chief metal. In a country like Mexico the lower price is a very serious matter. Mexico finds that reduction in silver prices acts as a double-edged weapon in enhancing the cost of imports while at the same time reducing the value of one of its leading items of export.

One hears nothing nowadays of proposals to establish silver as a basis of money values. The world is having sufficient trouble maintaining the purchasing power of gold without adding to that the complication of silver.

EDITORIAL NOTES

Vancouver Province states that Yonge Street, Toronto is lined with business houses for fifteen miles. This statement is quite correct; there are about 7½ miles of stores on one side of the street and 7½ miles on the other.

Imperial Potentate of the Mystic Shrine says wheat will sell at $1.35 for the next crop. The last Imperial Potentate said, if we remember correctly, that the Shrine convention would bring 350,000 people to Toronto.

One branch of an American-owned chain of stores in Toronto sold last week 2,000 bushels of New Brunswick potatoes. The price was $1.14 a bag for No. 1's. This was part of its contribution to Canadian prosperity week. But when Saint John Valley potatoes sell in Toronto, at retail, at slightly over one cent a pound there is little prosperity in it for the New Brunswick farmer.

The head of the department of overseas trade of the British government has recently inaugurated a series of conferences with editors of trade and technical newspapers, designed to co-ordinate the efforts of the business press and the government offices in stimulating export trade. This follows the precedent of President Hoover who holds monthly conferences with business paper editors at Washington, where the administration gives the editors confidential information on its problems and where it seeks their advice on business subjects and their information on the business situation. The business paper editor occupies an unique position as a specialized but independent authority. He is in touch with the manufacturing, wholesale and retail branches of his field and is influenced by no personal considerations in formulating his opinions on the tendencies in the field he is studying.

POST-scripts

A LEADING milling and bakery journal is constantly on guard against the propaganda of food faddists. Since the publication in question speaks with authority for the fields it serves we may assume that millers and bakers generally find some of the current notions of amateur nutrition experts harmful to their business. Bête noir of the millers is the habit of numerous people of refraining from eating white bread and speaking of white bread as if it were harmful to health. Any good miller is ready to demonstrate and in a convincing manner too that white bread is good food; harmful to no one, serious-minded doctors and downright quacks to the contrary.

But aren't the bakers and their friends the millers in considerable degree responsible for food faddism which is now hurting their business? One bakery in Toronto offers bread "vitalized with sunshine" which means that it is made under ultraviolet light. Another baker offers bread with a braided top after pushing a potato loaf for years. Still others specialize in whole wheat loaves, and an infinite variety of breads and, by stressing the advantages of specially treated flours by inference, rank bread made from white flour as of lower health value.

In the matter of food faddism the bakers and millers are right up in the front rank of propagandists. They are fighting fire with fire and some of the scorching they are getting is from their own flames.

Other People's Views

Ground for Doubt

Grain Trade News, Winnipeg.—How conflicting are the reports concerning conditions in Russia is illustrated by the fact that a leading German newspaper publishes on one page a report from its own special representative in Moscow, to the effect that the situation was never so desperate as now, and on another page of the same issue a despatch from the official Soviet News Agency to the effect that unemployment doles are to be discontinued because unemployment has practically ceased to exist. The outside world cannot help being very skeptical of the practicability of the great communistic experiment Russia is trying. The Soviet's plans of organization and operation have undergone several changes since 1917, each change being forced by the failure of existing plans to work out in practice. By law, the Russian state is the owner of all land and of all industries and has the monopoly of all foreign trade and controls all internal trade as well. Under what is known as the Five Year scheme, laid down in 1928, the state undertook to build up industries and to reorganize agriculture by operating great state farms in less populous areas and by forcing collective operation of farms in all other districts. A central committee draws up each year an export and import programme, and this year planned to ship out of the country enough agricultural produce to pay for the machinery and other goods it decided to import. From the prices at which it has been selling its grain it is evident it is making bad bargains in exchange value. As all foods are rationed and famine is reported in some districts, it is evident that its exports are at the sacrifice of well-being at home. There must still be human nature in the Russian people and it would seem probable that Russia will see other changes.

Salaries of Statesmen

Daily Express, London, Eng.—It is bad economy, and of the most undignified sort, not to pay handsomely the men who are serving the state in these high capacities.

TRUST OFFICER SAYS DEPRESSION ON WANE

Review Cites Factors Now Working Toward Recovery

Although business activity has increased during September, this was to be expected, according to Col. Leonard P. Ayres, vice-president of the Cleveland Trust Co., in his monthly review of business conditions in the United States. The improvement, however, was not of more than normal seasonal proportions.

Actually, says the review, more coal was produced in September than in August; more freight was carried on the railroads; and more steel was made and fabricated, but the increases were only such as are ordinarily to be expected at this time of the year. The published indexes of business activity, such as those of the Federal Reserve Board, the Annalist, and the Standard Statistics Company, will show only small changes from July to August, and from August to September.

Nevertheless it is encouraging to note that business activity is no longer slowing down. It is moving sideways at a low level, but it is not getting worse. It seems probable that we have reached the bottom of the depression, but there is no sure method for estimating how long the bottom may prove to be. Already this depression has lasted rather longer than have most of the major depressions of recent decades, and that is one good reason for believing that some measure of improvement is likely to develop before long.

Experience of Past

In the past 40 years there have been seven major depressions in this country, including this one. The duration of the definite decline from the last real prosperity month to the bottom of the depression in the first of the seven was 12 months. In the second one it was also 12 months, and in the third it was 12 months. In the panic of 1907 the decline lasted only 10 months. In the depression of 1913-14 the decline lasted 15 months. In the post-war depression it lasted 12 months. This one has already lasted 14 months.

The readjustments that start recovery on its way work themselves through in relatively uniform periods of time. Excess stocks of goods get worked off. Shortages develop. Idle hands seek employment. Business men and industrialists call on their reserves of initiative. Decreased costs of construction stimulate new building. These forces ferment silently and invisibly. Finally they become effective and apparent. They are at work now, and they will bring recovery from this depression, as they always have from former depressions.

Construction in Winnipeg

Building permits in Greater Winnipeg for September amounted to $668,050 as compared with $539,350 for September, 1929. The municipalities of St. Vital, St. James, Fort Garry and Transcona, all bordering on Winnipeg, are included in the area. They all showed increases over last year. Total permits for the year to date amount to $5,972,409.

Tariff-Maker Russell Ends 50 Year Span Of Service to Canada

From Our Own Correspondent

OTTAWA.—J. A. Russell, one of the fathers of the industrial Canada of today, and for more than 50 years a trusted Government official, has retired from active work and will spend his "Indian summer" in travel and quiet pursuit of happiness at his home in the Capital.

Few business men in this country do not know Russell of the Finance Department. He served under every prime minister of Canada since Confederation. He was the right hand man of six consecutive ministers of finance. He translated their fiscal views into legislative enactments; he was the instrument by which successive governments built up our present Tariff Act; and he was the confidential adviser of leading statesmen—Grit and Tory—not only in regard to domestic tariff policy but, also, in respect of trade negotiations with foreign powers.

Became Legend at Ottawa

He was the medium through which business men made known their wishes to ministers of finance; the medium through which ministers of finance obtained facts in regard to growing industries, their immediate needs and future prospects. Actually he laid the foundation of the iron and steel industry, was present when such companies as Besco, Canada Steel and Algoma were founded. Through five decades of public service, Russell became a legend at Ottawa. His integrity was beyond dispute. Although he helped to frame and was entirely conversant with more than twenty budgets long before their con-

J. A. RUSSELL

tents were known to parliament and the general public, never once was there a suspicion of a leak of information. So high did he hold his honor in matters of public business that when dispatched by the Government to a foreign country to negotiate a trade treaty, he is said not to have told his wife where he was going. He would take no chances when he well knew that the mere announcement that J. A. Russell had left for Berlin or Paris or the West Indies would tip off the business world to the fact that a new trade treaty was being negotiated.

Remembers Paddle Wheel Days

Russell's life of 75 years covers the entire growth of present day Canada. He grew up in a Victorian world. "When I was a young man," he remarked to the writer, "the day of the wooden sailing vessel was at its height. A few steamers were running from the United States ports to the Maritime Provinces, mostly of the paddle wheel type." The propellor-driven vessels of today followed. The world as he found it moved about on foot or by horse-drawn vehicles. Automobiles and airships were not dreamed of. People took little stock in the auto when it first appeared. Mr. Russell recalls its ugly, unattractive appearance and its proneness to breakdowns.

He rememebers when the kerosene lamp displaced the candle. He remembers the first mowing machine that came to Nova Scotia. At that time the scythe had replaced the sickle as the implement of harvest. At first there was great prejudice against the mower and no end of dire predictions were made that it would cut the crops so short that the roots would be destroyed. Russell recalls vividly the laying of the first cable in 1865. There were no telephones in those days, no bulletin boards. Newspapers were purely local in their news. Information in regard to national and world events travelled very slowly, and the chief news bearers were the family doctors who retailed gossip on their daily rounds.

Russell remembers clearly the Confederation election in Nova Scotia and the great dissatisfaction which prevailed. He saw all the great political leaders of the Confederation period in action—Macdonald, Mackenzie, Tupper, Galt, Hincks and George Brown.

Watched Still Mills Grow

Born in Pictou, N.S., Russell grew

(Continued on page 8)

New Issue

THE MONTREAL CATHOLIC SCHOOL COMMISSION

30-Year 4½% Bonds

Principal and semi-annual interest payable in Montreal, Quebec, and Toronto. Denominations: $1,000 and $500.

These bonds are a direct and primary obligation of the Commission. Statutes governing loans of the Commission provide for the counter-signature of the City Treasurer and that the City of Montreal is bound by law to retain out of the yearly proceeds of the school taxes, a sufficient sum to pay the interest and provide for the redemption of these bonds at maturity.

Price: 99.19 and accrued interest, yielding 4.55%.

R. A. DALY & CO.
LIMITED
80 KING STREET WEST
TORONTO

Winnipeg Plant Busy

A recent survey of plants established in Greater Winnipeg during the past few years shows that they are operating on an average of 73 per cent of capacity.

International Milling Company and Subsidiary Companies

Condensed Consolidated Balance Sheet, as at Aug. 31, 1930

ASSETS

Current Assets:		
Cash		$ 1,243,016.70
Accounts Receivable, less Reserve		1,441,451.34
Salesmen's Advances		16,204.44
Advances on Grain in Transit, etc.		158,719.84
Inventories of Grain, Flour, Feed, Packages and Supplies		8,245,095.95
Total Current Assets		$11,104,488.27
Prepaid Insurance, Interest, Taxes, etc.		223,078.46
Due from Employees		42,147.58
Memberships (at cost)		[illegible]476.00
Investments:		
In Subsidiary Company—Lake and Rail Warehouse and Elevator Corporation	$ 790,990.21	
Non-Operating Property—Depreciated Value	85,038.36	
Miscellaneous Advances and Investments	175,947.08	
		1,051,975.65
Real Estate, Buildings, Machinery and Equipment, at sound value per appraisal by American Appraisal Company at June 15, 1922, plus subsequent additions at cost		8,071,014.16
Total		$20,541,380.12

LIABILITIES

Current Liabilities:		
Notes Payable		$ 3,636,750.00
Accounts Payable		974,111.53
Accrued Taxes (including Federal and Canadian Income Taxes)		242,941.83
Accrued Interest, Commission, Pay Roll, Storage, etc.		160,811.55
Accrued Preferred Stock Dividend (Paid September, 1930)		76,716.25
Total Current Liabilities		$ 5,091,331.15
Reserve Accounts:		
For Maintenance and Depreciation (accumulated since August 31, 1922)	$1,727,544.38	
Contingent Reserve in respect of possible liability for additional assessments of Federal Taxes	180,000.00	
For Other Contingencies	53,500.00	
Insurance Funds	68,709.64	
		2,029,754.02
Capital Stock:		
7% Sinking Fund Cumulative Preferred Stock—35,545 shares of $100.00 each	3,554,500.00	
6% Sinking Fund Cumulative Preferred Stock—9,675 shares of $100.00 each	967,500.00	
Common Stock—100,000 shares of no par value	2,500,000.00	
		7,022,000.00
Surplus		6,398,294.95
Contingent Liabilities: In respect of drafts on customers and note receivable discounted at, and foreign drafts and bills of exchange sold to, banks in the ordinary course of business, $1,899,066.70.		
Total		$20,541,380.12

NOTE: At August 31, 1930, there were obligations in connections with Improvements in Progress, amounting to $314,706.42.

CONDENSED CONSOLIDATED SURPLUS ACCOUNT FOR THE YEAR ENDED AUGUST 31, 1930

Surplus, August 31, 1929		$5,598,146.47
Add: Net Income for year (after making full provision for Federal and Canadian Taxes on Profits)	$1,463,693.51	
Over-provision for Federal and Canadian Income Taxes for prior years	18,104.81	
Proceeds from Sale of Common Stock previously held in Treasury (2,500 shares)	154,550.00	
		1,636,348.32
		$7,234,494.79
Deduct: Premium on Preferred Stock Retired (Net)	370.84	
7% Preferred Stock Dividend for year ended August 31, 1930	[illegible]3,691.50	
6% Preferred Stock Dividend for year ended August 31, 1930	[illegible]8,337.50	
Common Stock Dividend, paid December 18, 1929	536,250.00	
Commission on Sale of Stock	7,500.00	
		836,199.84
Surplus, August 31, 1930		$6,398,294.95

CERTIFICATE OF AUDITORS

TO THE BOARD OF DIRECTORS OF THE INTERNATIONAL MILLING COMPANY:

We have audited the books and accounts of the International Milling Company and Subsidiary Companies for the year ended August 31, 1930, and certify that the foregoing Condensed Consolidated Balance Sheet and Condensed Consolidated Surplus Account have been prepared therefrom and, in our opinion, correctly present the financial position at August 31, 1930, and the result of the operations for the year ended on that date.

The sinking fund provisions under the terms of issue of the Preferred Stock have been duly complied with.

(Sgd.) PEAT, WARWICK, MITCHELL & CO.

Minneapolis, October 14, 1930.

Peanut Industry Under Way

The Toronto Industrial Commission announces the incorporation of Newton Products Limited at 19 River St. The company is installing equipment for the immediate manufacture of peanut butter, prepared mustard, roasted. The parent firm is the Newton Products Co. of Cincinnati.

L. W. SIMMS
President
T. S. Simms and Co. Ltd.
St. John, N. B.
says

"TWO GREAT BUSINESS ASSETS PULL IN THE SAME DIRECTION"

By that Mr. Simms refers to the perfect union of economy and convenience which the Dictaphone brought about in his organization.

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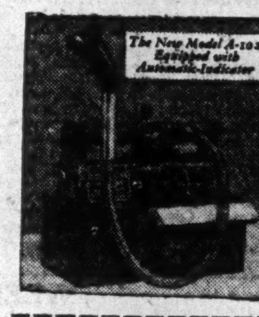
Those who know and use this modern dictating machine point constantly to its great convenience and to the cash economy of the time and effort it saves. The coupon will bring you a Dictaphone for a free trial.



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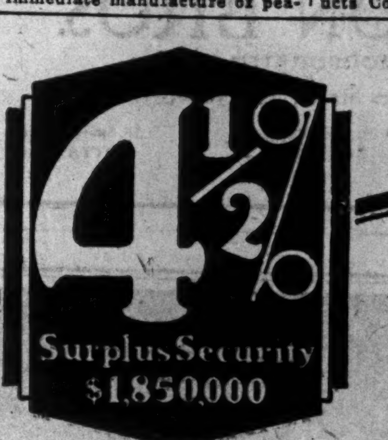

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This exceptionally good rate begins immediately you place $500 or more in a Canada Trust Company Guaranteed Passbook Certificate.

Additional deposits can be made as desired. Interest is earned for every day your money remains with us even if you withdraw the full amount or any portion in 3, 4 or 5 months or longer.

"Dollar for dollar" first mortgage security is your safeguard. In addition, surplus security totalling $1,850,000 (the paid-up capital and reserve) is provided.

Can't you think of many things you could buy if you were getting a higher interest return on your surplus savings?

The CANADA TRUST COMPANY

London, Toronto, Hamilton, Windsor, St. Thomas, Chatham, Winnipeg, Regina, Edmonton, Vancouver, Victoria

Business Conditions in Canada

WORLD SITUATION FINDS CARRYOVER BIGGER THAN EVER

New Ottawa Bulletin on Wheat Situation Not Optimistic

520,000,000 BUSHELS

Of Which 408,000,000 Bushels is Holdover from Last Year's Wheat Crop

A preliminary estimate of the world wheat crop for the year 1930-31 is 4,470,544,000 bushels as compared with 4,204,824,000 bushels in 1929-30, and 4,709,304,000 bushels in 1928-29, according to a new monthly bulletin issued this week by The Dominion Bureau of Statistics.

The bulletin inaugurates a monthly review of the wheat situation which is to be published from now on, by the agricultural branch of the Dominion Bureau. Co-operating in this bulletin are the Canadian trade commissioners in those countries of the world mainly concerned with wheat production and consumption. It is said that the present scope of the review will be considerably expanded when a wider knowledge is gained of the data available and the various sources of information.

Referring to the estimate of world wheat production, the review gives from the London Grain, Seed and Oil Reporter, an estimate of world surplus and requirements as follows: estimated surplus of producing countries, 1,272,000,000 bushels; estimated world requirements, 752,000,000 bushels, leaving a carryover of over 520,000,000 bushels. The carryover of the United States, Canada, Australia and Argentina at the end of their last respective previous crop years is shown as 408,000,000 bushels.

New French Policy

Under the heading "New French Government Policy," the bureau makes an interesting analysis of the present situation in that country as follows:

"The lack of grain elevators in France was the cause that last year the surplus of the wheat crop had to be exported immediately after the threshing, and this brought such a serious fall in the price of wheat that the French Government had to devote 400 million francs to the grant of a premium corresponding to the taxes collected on foreign wheat for the re-exportation of same. Speculators who took advantage of the situation have drained the country, not only of foreign wheat but also of the quantity of home wheat required for France's requirements until this year's crop.

"To avoid a repetition of these conditions and in view of standardizing the price of wheat in all seasons, the actual government has decided to put in force an entirely new policy which consists in encouraging the stockage of wheat in every district of France, and for that purpose the Government will advance to co-operative farmers' associations in every part of France the funds required to build up or rent warehouses or elevators where the year's crop could be stored after being graded, and sold according to the demand.

"The decree promulgated on May 31, 1930, stipulates the conditions in which the money will be advanced to these co-operatives and how the sales shall take place under the supervision of the Department of Agriculture. It further guarantees that the Army and Navy Departments will encourage such associations by taking the quantity of wheat required by their departments from them in preference to buying on the open market.

Opinion Divided on Merits

"It is expected that this system, once it is established properly, will render great service to the farming community as it will let out only the quantity of wheat necessary for home consumption, therefore preventing speculation as in the past years when farmers had to sell out their crop immediately after the harvest as they were not able to store it properly, or the crop falling as it did in the hands of speculators who had the control of the market. Time will show how this new policy will work out.

"This new government measure has plenty of supporters but there are also many people who criticize openly this project as not being practicable for several reasons, mainly because France has never a surplus crop to carry over to the next season, last year being an exceptional one, so that this policy is looked upon more as an election scheme and the money bound to be wasted."

Total exports of wheat from Canada for the month of September, 1930, says the bulletin, amounted to 32,121,623 bushels, almost four times as great as those of the same month in 1929. For the first two months of the crop year these exports were 52,583,399 bushels compared with 22,676,397 bushels for the same period in 1929-30. The five-year average for the month was 17,970,697 bushels and for the two months 35,331,314 bushels.

According to movement by the different shipping routes, 25,825,480 bushels were billed via the United States seaboard ports and 23,863,136 bushels were cleared from the Canadian seaboard ports, i.e., 15,262,445 bushels via Canadian Atlantic ports and 8,600,691 bushels from Pacific ports.

The customs figures show that 31,319,891 bushels were billed to the United Kingdom or orders, while the following countries were the next in order of importance: Netherlands 2,488,923 bushels, Italy 2,076,865 bushels, Belgium 1,944,830 bushels and United States 1,894,694 bushels.

Primary Movement Good

The primary movement of this year's crop compares favorably with last year. The quantity received at the Western Country Elevator was 122,119,178 bushels, compared with 120,071,852 bushels for the same two months of the previous year. Iin addition to the foregoing 4,195,055 bushels were shipped of the 1930 crop over the loading platforms, while for the same two months in 1929, 3,660,307 bushels were moved. The shipments from the above elevators were 88,988,582 bushels.

The rail movement from the Prairie Provinces to the head of the lakes is shown to amount to 60,162,097 bushels for the two months ended September, 1930, just twice the amount for the same two months of 1929.

Lake shipments from the head of the lakes were 57,009,931 bushels, of which 30,707,533 bushels went to Buffalo and other United States lake ports. Of the balance, 22,885,294 bushels moved to Georgian Bay and Lower Lake ports, 3,391,163 bushels to Montreal, 243,441 bushels to Quebec, and 82,500 bushels to Sorel, Quebec.

Western inspections for the two months were considerably higher than the same two months in 1929, being 98,271,805 bushels and 55,858,544 bushels respectively. Of this former amount, 86.2 per cent graded No. 3 Northern and better, while 84.3 per cent were placed in the same grades for August and September, 1929

No Encouragement in Business Data

	Canada	United States
Commodity Prices:	Wholesale prices 15.6 p.c. below a year ago; consumer prices off only 10 p.c.	Metal prices strike new low levels as demand says.
Iron and Steel:	September steel production 44 p.c. below 1929 output.	Steel production again on decline after slight September rise.
Foreign Trade:	September trade off 10 p.c. despite $14,000,000 increase in wheat exports.	September export gain due to heavy increase in raw cotton shipment.
Employment:	Lowering of wage scale in many industries forecast in 1931.	Hoover names important group to grapple with winter problems.
Car Loadings:	Current loadings off 8.7 p.c. from 1929 level.	Current loadings 17.5 p.c. below both 1929 and 1928 levels.
Stock Markets:	Canadian market quick to reflect any upward movement in N. Y.	Foreign exchange movements closely reflected in N.Y. stock market.
Credit:	Collections reported as very poor in many areas of Dominion.	No change in credit conditions or policies reported.
Trend:	Little to encourage optimism in immediate future but no further declines noted.	Estimated decline in purchasing power since 1929 put at about $6,000,000,000.

September Trade Survey Shows Canada's Position Much Above Average

Ten Per Cent Slump in Canada's Trade Compares With 30 Per Cent Drop in U. S. A. and 26 Per Cent Decline in Great Britain

A Weekly Review of Business Conducted by The Financial Post

As September marks the close of the first half of Canada's fiscal year, and as foreign trade is perhaps the most important single factor affecting our outlook at the present time, it is fitting to take stock of Canada's foreign trade with a view to determining just how business in this field is being affected.

The first thing of interest to be gleaned from a perusal of September trade figures published by the department of national revenue, is that total trade for September is only 10 per cent below that of a year ago while cumulative trade figures for the six months ending September 30, are 23 per cent below 1929. This statement of our current trade position takes on added significance when it is found that almost the same result is obtained when the September, and the six months trade figures, are compared with figures of our average trade in the past five years. That is to say, total trade in September, 1930, is exactly 10 per cent below the average of foreign trade in the past five years, and cumulative trade figures for the past six months are 17.5 per cent below the five-year average.

Britain and U. S. A. Compared

Comparing this with other countries engaged in world commerce, it is interesting that total trade of the United States for September, is down 30 per cent from a year ago, as compared with a drop of only 10 per cent in Canadian trade. This drastic slump in U. S. trade is divided almost equally between exports and imports, the former being down about 29 per cent and the latter off about 35 per cent. Another comparison is with Great Britain, whose total trade for August (latest figure available) is down 26 per cent, of which exports contribute 32 per cent to the decline and imports 21 per cent.

Analyzing Canadian imports and exports separately, it is found that for September, exports are down only 8 per cent from a year ago, while imports have declined 11.5 per cent on the same basis. Imports are now back to about the same level as in September, 1926, while exports are back to the September, 1924, level. The following table shows clearly comparative trade figures for September, over the past seven years:

Canada's Foreign Trade

Sept.	Imports $	Exports $	Total $
1924 ...	63,900,000	82,500,000	146,400,000
1925 ...	78,700,000	109,600,000	188,300,000
1926 ...	85,600,000	93,800,000	178,900,000
1927 ...	91,800,000	99,300,000	191,100,000
1928 ...	106,066,000	111,856,000	217,900,000
1929 ...	99,380,000	89,424,000	188,804,000
1930 ...	87,801,000	82,196,000	169,991,000

A clearer view of our export trade in merchandise, is obtained, however, by segregating wheat from other exports. On this basis it is found whereas total exports for September are only down 8 per cent, exports of all other commodities except wheat are down 21 per cent. An increase of 128 per cent in the value of September wheat exports as compared with a year ago, is responsible for the difference.

Cumulative exports for the six month period are found to be cluded, and down 27.5 per cent if wheat is taken separately. The total exports of wheat during the first six months of the fiscal year are valued at $98,927,000, a decline of 10 per cent from the same figure a year ago. The following table shows principal items of export for the six month period, 1930, with comparative figures, both as to quantity and value for the same period in 1929:

Principal Items of Export, Six Months Ending Sept. 30

		1929 Quantity	1929 Value	1930 Quantity	1930 Value
Wheat	Bush.	94,559,476	$110,209,509	101,209,419	$98,927,064
Wheat flour	Brls.	4,532,782	24,962,973	3,642,750	18,159,614
Fish	Cwt.	1,448,856	15,801,815	1,340,906	13,896,336
Furs	$	....	10,371,934	....	6,853,277
Meats	Cwt.	427,276	8,776,675	172,435	3,873,598
Cheese	Cwt.	539,750	10,491,944	426,052	6,982,840
Planks & boards	M. ft.	946,255	26,610,851	765,859	19,384,721
Wood pulp	Cwt.	8,425,290	21,480,021	6,913,102	17,932,105
Newsprint	Cwt.	24,303,962	71,562,058	22,867,222	65,773,164
Automobiles & parts	$	....	21,572,020	....	10,207,435
Copper*	Cwt.	1,056,017	16,997,522	1,083,576	13,459,653
Nickel*	Cwt.	510,482	12,168,902	432,803	9,508,407

*Unmanufactured.

A study of this table shows clearly the effect not only of curtailed foreign purchasing power but also the effect that lower commodity prices is having on our export trade. For instance in only three items, namely wheat, wheat flour and unmanufactured copper, have we increased the volume of our exports in the six months periods, and in each intance, the value of exports has actually declined below the 1929 figure due to lower prices. In the other nine items, both the quantity and value of our trade has declined.

Meats and Autos Suffer

The most striking drop has been in exports of meats and automobiles. The value of meat exports has slumped 56 per cent from $8,776,675 to $3,873,598, due no doubt to the prohibitive United States tariff which went into force a few months ago. Automobile exports have dropped 53 per cent to $10,207,435, due to generally reduced purchasing power in foreign countries and also to restrictive tariffs placed against this product by several countries, notably New Zealand which was one of our best customers.

Wheat exports of course reflect the slump in price of that product, the September, 1930 figure being even more striking in that regard. In September, 1930, wheat exports jumped almost 400 per cent in volume over the same month in 1929, yet the value of wheat exports increased only 128 per cent.

Commercial Failures High

As to current business statistics, there is little of encouragement to be gained from a perusal of latest statistics published during the past week. Commercial failure for instance are now available for August and show a substantial increase both as to number and the liability involved, as compared with a year ago. A steady increase in this index may be expected during the coming months as many so-called "marginal" firms that have withstood business depression during the past year are gradually squeezed out of business.

The most encouraging factor is that we are still selling the world the lion share of its wheat requirements, while export of this commodity is at a virtual standstill in other exporting countries. Such a condition, however, brings little real pleasure when No. 1 Northern spot wheat is selling at Winnipeg at about 71 cents a bushel.

Maritimes Pleased By C.N.E. Contracts

The Maritime Provinces are already beginning to reap some benefits from their 1930 display at the Canadian National Exhibition, according to Bradstreet's Trade Review.

Already four new and definite contracts have been established for the distribution of Maritime products in Ontario.

On the strength of this showing the Maritimes have decided to enter an exhibit this fall at the Royal Winter Fair in Toronto, at the suggestion of R. W. Burnaby, Maritime Trade Commissioner for Ontario.

Oil Production Is Maintained

Turner Valley oil production for August was only 5,311 barrels less than the peak month of June last and was considerably above the July total, being 110,801 barrels as compared with 95,884.

Poor Weather Delays Saskatchewan Harvest

From Our Own Correspondent

REGINA.—The weather has been unfavorable for threshing as a result of rain and snow, according to telegraphic reports received over the week end by the statistics branch of the Saskatchewan Department of Agriculture. The northern portion of the province is mainly affected, but there are also some districts in west central Saskatchewan where a considerable amount of grain remains unthreshed. In other parts of the province threshing is nearly completed. Taking the province as a whole between 80 and 85 per cent of the wheat is threshed, but in the north possibly slightly better than half of the threshing is completed. Good drying weather is urgently needed in these districts.

The grades of the unthreshed grain will suffer on account of bleaching and there are also many fields, mostly in the northeastern part of the province, where sprouting has taken place. Some ploughing has been done but in many districts, particularly the southern and central parts of the province, where the fields have been cleared of stooks, the dry condition of the soil has not tended to encourage fall ploughing. Live stock, with the extra run of the stubble fields, are in fair to good condition.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1930	Weekly Latest 1929	Cumulative Jan. 1, to date 1930	Cumulative Jan. 1, to date 1929
C. P. R. Gross earn. (Oct. 14) ..	$ 3,978,000	$ 4,638,000	$ 137,414,000	$ 163,280,000
C. N. R. Gross earn. (Oct. 14) ..	$ 4,904,222	$ 5,645,058	$ 177,233,966	$ 213,172,296
Car Loadings (Oct. 11)	71,279	78,069	2,518,161	2,817,289
Stock Index (Oct. 16)	593.6	1125.8	.....	.....
	Monthly			
Production—				
Pig Iron, tons (September) ...	48,395	98,816	621,716	829,687
Steel, tons (September)	55,808	99,000	810,851	1,087,951
Newsprint, tons (August)	202,040	225,870	1,702,381	1,928,251
Automobiles (August)	9,792	14,214	130,665	220,036
Boots and Shoes, pr. (August)	1,542,686	1,854,773	11,730,141	13,082,022
Flour, bbls. (August)	1,547,935	1,607,264	10,192,132	13,042,076
Mineral Production—				
Gold, oz. (August)	169,621	164,436	1,316,120	1,264,728
Silver, oz. (August)	2,036,001	2,209,770	17,258,696	15,965,148
Nickel, tons (August)	4,544	3,721	36,787	36,259
Copper, tons (August)	13,046	10,641	104,891	77,554
Lead, tons (August)	12,770	13,524	111,982	101,880
Zinc, tons (August)	13,117	8,016	84,770	66,622
Coal, tons (August)	1,100,814	1,362,166	9,321,666	11,461,012
Natural gas, M. cu. ft. (Aug.)	1,492,973	1,891,124	18,724,986	18,222,019
Petroleum, bbls. (August) ..	136,056	111,392	898,802	690,165
Automobile Financing—				
Used Cars (July)	$ 3,231,748	$ 4,467,531	$ 21,276,478	$ 25,461,651
New Cars (July)	$ 2,617,420	$ 5,179,063	$ 21,785,812	$ 32,246,509
Construction—				
Building Permits (August) ...	$ 13,817,745	$ 21,582,221	$ 112,762,733	$ 168,894,072
Contracts (Sept.)	$ 32,407,100	$ 46,959,200	$ 359,814,700	$ 441,643,900
Labor—				
Employment Index (Sept.) ..	116.6	126.8	......	......
Trade—				
Imports (August)	$ 78,178,765	$ 111,680,921	$ 706,038,765	$ 890,203,924
Exports (August)	$ 69,290,228	$ 96,264,517	$ 582,198,228	$ 774,824,517
Imports of Key Products—				
Rubber, lbs. (August)	4,723,000	6,449,000	44,825,806	60,295,915
Cotton, lbs. (August)	3,457,000	5,238,000	54,114,000	89,746,967
Sugar (July)	$ 3,189,797	$ 2,946,808	$ 11,490,567	$ 12,662,004
Petroleum, crude, gal. (July) .	92,500,000	114,780,000	584,696,995	533,665,053
Coal, tons (August)	1,800,598	1,883,468	10,812,567	11,307,560
Exports of Key Products—				
Newsprint, cwt. (July)	3,981,195	3,993,844	27,338,264	27,555,312
Automobiles, No. (July)	5,521	7,578	27,121	67,269
Wheat, bush. (September)....	27,817,053	7,409,809	124,528,771	151,818,042
Wheat, flour, bbls. (September)	734,349	492,381	5,306,922	7,876,824
Electric Power—Output—				
M. Kilowatt hours (August) ..	1,402,772	1,444,935	11,716,284	11,424,418
Population—				
Emigration (July)	3,501	5,670	......	35,117
Immigration (July)	8,383	16,465	80,178	117,824
Finance—				
Failures, No. (Aug.)	159	138	1,533	1,440
Failures, Liabilities (Aug.) ...	$ 5,518,164	$ 1,743,576	$ 34,466,967	$ 30,952,426
Bank Debits (August)	$2,801,605,985	$3,667,069,533	$24,920,761,209	$30,506,538,895
Bond Sales (August)	$ 38,217,845	$ 15,619,237	$ 493,953,205	$ 401,838,385
Insurance Sales (Sept.)	$ 39,643,000	$ 43,911,000	$ 425,295,000	$ 449,197,000
Wholesale Prices (1913=100)—				
General Index (September)....	82.5	97.3	......	......
Iron (August)	91.2	93.8	......	......
Cottons, raw	68.3	106.5	......	......
Grains	64.3	109.8	......	......
Live stock	95.5	129.9	......	......

Eleven Per Cent Of Wheat Crop Still Unthreshed

Latest reports from the wheat growing areas in the West indicate that about 45,000,000 bushels of wheat remain unthreshed, suffering serious deterioration in grade. This represents about 11 per cent of the total estimated wheat crop. In the Peace River district 40 per cent is unthreshed, in North-central Alberta 25 per cent, and in Northern Saskatchewan, 35 per cent with an additional small proportion spread over the balance of the West.

The delay to harvest, according to W. Sanford Evans Statistical Service is reflected in farmers' deliveries, the total in the week, October 8 to 14, being only 11,000,000 bushels. To date, 159,479,000 bushels of grain have been delivered at country stations during the present crop year, as against 150,608,000 in the same period last year The total of damp and tough wheat inspected has increased from 692 to 1,346 cars in the past week, and considerably larger quantities of these grades can still be expected. All wheat inspections up to October 14, were 72,567 cars, out of which 62,907 cars were contract grades (No. 4 Northern or better).

The latest estimate of the 1930 crop is that prepared by the Northwest Grain Dealers' Association. which estimates a wheat crop in the prairie provinces (as at October 1) of 389,769,900 bushels. This is considerably higher than earlier estimates, the Dominion Bureau of Statistics as at September 10, having estimated 362,000,000 bushels and Manitoba Free Press at the same date having estimated only 335,812,000 bushels. The 1929 wheat crop on the prairie provinces was 281,664,000 bushels.

Must Meet Russia in Selling of Wheat

From Our Own Correspondent

SASKATOON.—A. H. Hobley, principal wheat buyer for the English Co-operative Wholesale Society, and probably the largest individual grain buyer in the world, told a meeting in the Saskatoon Club the other night, at which he was guest speaker, that Canada had made a serious mistake in her wheat selling policy last year, evidently having had the idea that if wheat were held on to long enough the buyers would have to come to this country. Mr. Hobley, as well as J. Bradshaw and R. Fleming, directors of the Wholesale Society seemed to be of the opinion that Russia was permanently back into export wheat trade, and that Canadian ideas would have to be adjusted to that situation. The Wholesale Society is an extensive purchaser of Russian wheat, and also sells a great volume of commodities to that country, including tea, and it was stated that the volume of sales in the past six years had exceeded $100,000,000, all of which had been satisfactorily handled.

Business Briefs

Commercial Failures in August numbered 159 as compared with 138 in August, 1929, and 169 in July, 1930. Liabilities of assignors amounted to $5,518,164 as compared with $1,743,576, in August of last year and $2,540,000 in the previous month. The extremely high liability figure was due to the failure of a large lumbering firm with liabilities of about $2,000,000 in British Columbia.

Wheat in Store in Canada increased 5,598,819 bushels for the week ending October 10, the amount stored at that date being 162,012,923 bushels as compared with 189,907,247 bushels at the same time a year ago. A decline in stocks of nearly 28,000,000 bushels as compared to a year ago, in spite of a substantially heavier crop, indicates that the heavy carryover of last year is being rapidly depleted.

Canal Statistics for September reflect heavy wheat shipments at Sault Ste. Marie, the amount moved being 45,444,000 bushels as compared with 28,283,000 in 1929 and 38,173,000 in 1928. Iron ore shipments decreased by 33 per cent, however, so that total traffic amounted to 10,347,000 tons as against 13,355,873 tons a year ago. Total freight at Welland increased from 574,241 to 980,352 tons during the month, while through the St. Lawrence system the September movement was 914,000 tons as against 775,000 a year ago.

Sugar Statistics for the four week period ending Sept. 6, show total manufactures of 87,430,000 lbs. as compared with 69,217,000 lbs. in the same period of 1929. Domestic shipments during the period showed a like increase while exports remained unchanged at about 2,400,000 lbs. Imports of raw sugar during the month of August increased 15,000,000 lbs. to 116,629,000 lbs., while imports of refined sugar declined from 5,297,500 to 3,740,000 lbs.

Boot and Shoe Production in August declined 17 per cent from the 1929 level of production to 1,542,686 pairs. Cumulative production for the first eight months of the year is about 10 per cent behind the 1929 output at 11,730,141 pairs.

Australia's Wheat Crop for 1930-31 is estimated at 200,000,000 bushels from 18,160,000 acres as compared with 112,000,000 bushels from 14,500,000 acres in 1929-30 and 131,172,000 bushels from 12,576,000 acres, the average for the five years 1925-26 to 1929-30.

Calgary Tax Collections Better

Increase in both sundry revenue and property tax collections during the first eight months of the year, compared with those of last year, are reported by the city treasurer of Calgary. An increase of $79,278 in tax collections and $21,380 in sundry revenue is shown.

Potato Sales Higher

The Potato Growers' Association of Prince Edward Island handled 1,633,964 bushels of potatoes through its exchange during 1929, at a value of $3,713,674 or an increase of $600,000 over its 1928 sales. Included in the total sold were 1,000,000 bushels of certified seed which brought $1.20 per bushel.

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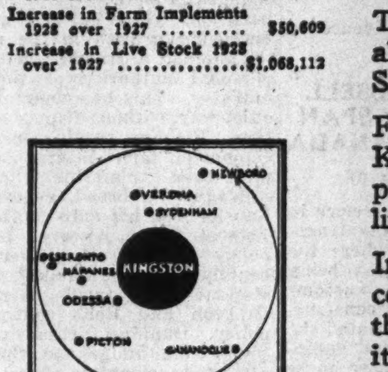
Kingston is Growing

Increase in Population 1929.	2,170
Increase in Bank Deposits, six months 1930	$3,055,792
Increase in Telephones 1929.	770
Increase in Automobiles.....	1,398
Increase in Motor Trucks...	234
Increase in Income Tax.....	$70,795
Increase in Consumers of Electricity	330
Increase in Factory Payrolls 1928 over 1927 (latest figures available)	$131,843
Increase in Coal Consumption 1929 (tons)	16,926

KINGSTON FARM MARKET:

Increase in Agricultural Land 1928 over 1927	$2,881,165
Increase in Farm Building 1928 over 1927	$237,210
Increase in Farm Implements 1928 over 1927	$50,609
Increase in Live Stock 1928 over 1927	$1,068,112



The Kingston Whig-Standard

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Pulp and Paper Industry

Newsprint Leaders Confer in Montreal To Solve Problems

Meeting Not Productive of Definite Line of Action

STILL TALK MERGERS

Need for Early Solution Grows More Apparent With Conditions Muddled

From Our Own Correspondent

MONTREAL.—Representatives of the various newsprint companies held another session in Montreal this week in an endeavor to find a way out of the present embroilment, which threatens to result in wide-open competition and seriously affecting the financial stability of some of the operators.

As is well known, plans have been under way looking to the creation of a super-organization, controlling Abitibi, Backus-Brooks, Canada Power and Paper, St. Lawrence, and Canadian International Paper.

Negotiations have been and are proceeding, but to date the interested parties have failed to come to an agreement on the principles of the proposed amalgamation.

The meeting this week was like that of many others held in the past; considerable discussion, jockeying for position, but no definite action.

Leave Things in Abeyance

One development of the conference, however, was the decision to leave matters in abeyance until the end of the first week in November.

This is taken to mean that Col. J. H. Price, head of Price Bros. & Co., will continue nominally as the head of the Newsprint Institute of Canada. It is understood that Col. Price has not changed his opinion as expressed at the time when he announced his resignation as chairman. This resignation has not been officially accepted.

It will be recalled that Col. Price stated that his company did not intend to put up with the unfair practices of some of the other institute members and that in future policies of his company would be along lines considered in the best interests of the organization.

This announcement was followed up by a similar declaration by Ernest Rossiter on behalf of his company, St. Lawrence Corp.

Outlook is Cloudy

With these two large newsprint producers breaking away from the institute and openly competing for further business, it is obvious that a serious state of affairs would arise. It can be said with little fear of contradiction that some of the producers are not in strong enough financial position to withstand any prolonged price cutting competition.

Accordingly the immediate outlook of the newsprint industry was viewed with considerable concern. The history of the industry in the past bears ample evidence of the dire results of price-cutting and a repetition at this time would most likely result in the bankruptcy of one or more of the operators.

Accordingly strenuous measures have been taken to hold the manufacturers together and arrive at some equitable plan to put the industry on its feet.

There are three features to consider in relation to the newsprint industry at present. First is the prospect of independent action by all producers in marketing of output with its attendant price cutting. Secondly, the consolidation of the principal manufacturers, and, thirdly, outlook for the industry in the event that institute continues to function as in the past and that no merger takes place.

Opposed to Institute

Whether or not there will be open warfare, is in the lap of the gods. Two members of the institute are currently reported to be in favor of the breaking up of the institute and the creation of a free market. Though these companies have not made any definite statement to that effect, it is an open secret that they would not be sorry to see the institute wound up.

At the moment steps are being taken to hold the producers together.

Back to Wall

Yet some of the manufacturers are faced with serious prospects if they do not secure additional business or a better price for their newsprint. The latter is wholly improbable at present. The former can only be had by offering the consumer better prices than they are now paying.

Merger Definite Possibility

Much has been heard of rumors of the proposed giant consolidation. The story has been repeated so often that many are inclined to pass over lightly the possibility of such an organization coming into existence.

Prominently mentioned in the suggested merger are Backus-Brooks, Abitibi, Canada Power & Paper, St. Lawrence and Canadian International Paper.

Abitibi is Interested

Abitibi and Backus-Brooks is considered to be nearer actually fruition than some of the other proposals. Canada Power & Paper must also be considered in discussions of newsprint mergers. This company has been most active in the past two years in securing control of other properties and to that end has acquired Port Alfred Pulp & Paper, Wayagamack, Anglo-Canadian, and Anticosti. Today it is the largest manufacturer of newsprint in the Dominion and ranks next to International as the world's largest producer.

C. I. P. Not Adverse

Of late Canadian International Paper has been mentioned as one of the companies which would be interested in consolidating. This is well within the realms of possibility. Those in control of C. I. P. are not adverse to such a deal, always provided that the terms offered are on an equitable basis.

Though St. Lawrence has pursued a more or less independent course of action, it is the general understanding that this company would come into the merger. But, like Canadian International Paper, the terms would have to be right.

Outlook Not Hopeful

Provided that no change comes in the corporate set-up of the newsprint producers and that the manufacturers agree to carry on under the guidance of the Newsprint Institute, the outlook is not very hopeful. In the first instance continuance of paper prices at the present level does not permit of sufficient profit to take care of prior charges, based upon the current rate of operations.

Even the most hopeful do not regard the prospect for higher prices with any degree of certainty. All factors are against an upward move in prices and, certainly for the next few months, no advance will be made.

Demand Moves Sideways

The prospect of an increase in consumption is equally unfavorable. Taken over a long period it can be expected that the demand for newsprint will increase at the rate of about 7 per cent per annum. On the other hand, there are years when the increase does not come near approximating that figure; in fact, consumption in 1930 will undoubtedly be less than in 1929 unless shipments show a marked gain in the next two months.

A survey of consumption figures over the past few years brings to light a number of interesting facts. In August, 1928, when conditions in the newsprint industry were exceedingly serious, shipments of Canadian and American mills totalled 311,433 tons, of which the former accounted for 196,894 tons. One year later combined shipments totalled 343,043 tons, Canadian mills shipping 224,254 tons. For the same month this year aggregate shipments amounted to 297,106 tons, of which 197,870 tons came from this country.

Consume Less Now

It is apparent that in the two year period there has been an actual dropping off in demand. On the basis of the same rating of capacity, this would not be unusual or call for extra comment.

Examination of the rating figures, however, shows another picture. Every ton of newsprint capacity installed represented a capital investment in the neighborhood of $40,000 to $50,000, exclusive of timber limits. Upon this capital interest charges must be met.

Installations Too Fast

Bearing in mind that demand in August, 1930, is below that of August, 1928, the following figures on rating are of more than ordinary interest. In August, 1928, rating of United States and Canadian mills totalled 15,080, of which 9,532 was credited to the latter and 5,548 to the former. One year later rating advanced to 15,999 tons, Canada having 10,388 tons and United States 5,611 tons. For August this year rating amounted to 17,130 tons, Canada being credited with 11,700 and United States 5,430 tons. These figures are all on a per day basis.

Over the two year period, therefore, capacity of Canadian newsprint mills increased 2,168 tons daily, while American rating declined 118 tons daily. During these two years, shipments of Canadian mills showed an increase of almost exactly 1,000 tons, i.e., from 196,894 tons in August, 1928, to 197,870 tons in August, 1930. On the other hand, American plants shipped 114,539 tons in August two years ago as against 99,236 tons in the same month this year.

Remedial Measures Necessary

It is obvious from the foregoing figures that demand has not kept up with capacity, hence the low operating ratio of mills today. But the capital investment is still there. It has grown almost month by month. Sales have not kept up.

Meanwhile investor confidence in the industry is at a low ebb.

Dalhousie Mill Addition's Progress

From Our Own Correspondent

MONTREAL. — Good progress is being made by the New Brunswick International Paper Co. in installing two additional machines at the Dalhousie plant, bringing capacity up from 250 to 500 tons daily. Original plans provided for the installation of two machines, power supply, pulp capacity, etc., all being designed for a four-machine mill.

Plans had been for bringing the two machines into operation some time next month. Although unconfirmed, it is understood that the new units will not be brought into production for some time. This action is likely based on the present unsettled newsprint market and International not being prepared at the moment to switch more tonnage from its American mills to Canadian plants.

PRICE BROS. CUT TO APPROXIMATE LAST SEASON'S

Company Will Cut 92,000 Cords in 1930-1931 Season

From Our Own Correspondent

MONTREAL.—Timber operations of Price Bros. & Co., Ltd., for the 1930-1931 season will be approximately the same as they were last year. In cutting of logs for saw mill purposes, however, a slackening is threatened. Last year the company cut about 90,000 cords, of which 70,000 cords went to to the company's mills in the Saguenay and 20,000 were sold to the Port Alfred Co. This year the company will cut 92,000 cords.

The district in which the cut will be made differ. Last year the cut comprised 45,000 cords in the Shipshaw River; 25,000 cords in the Ecorces; and in the Ferland district 20,000 cords. This year operations in that area are Shipshaw, 35,000; Ecorces, 12,500 and Lake St. John, 45,000 cords.

Thus the cut will be larger though it is distributed over a slightly different area since the company is operating in the Lake St. John region instead of the Boileau and Ferland region.

Find Labor Shortage

These figures were sent to Hon L. A. Taschereau, premier of Quebec, by J. Leonard Apedaile, vice-president of Price Bros., in response to a questionnaire sent out to industrial corporations to determine how much work was being done.

A feature of the communication is that the company is experiencing a slight shortage of labor which the official admits is difficult to account for. However, it is stated that for some time a notice in front of the company's Chicoutimi office asking for the services of 75 men in the words, brought little or no response from local residents.

The letter goes on to say that the cut of 92,000 cords does not represent the quantity of wood which Price Bros. would require if the mills were working at capacity and if there were no wood supplies on hand. At full capacity Price Bros. annual requirments would be in the neighborhood of 350,000 cords.

Explains Situation

With regard to the slight shortage of labor which has been experienced, Mr. Apedaile said in his letter to the premier of Quebec:

"I can only suggest that the recent industrial developments of the Saguenay, the more intensive and perhaps more profitable farming on the better lands in the valleys of the Saguenay, tend to breed a disinclination among the residents for work in the woods. Especially in this case when felling operations are carried out in the summer, which course we have been compelled to adopt in order to carry out the ever closer utilization called for by the Department of Lands and Forests.

"With regard to our lumber operations on the South Shore of the St. Lawrence, the case may be somewhat different, owing to the large stocks of lumber which have accumulated because of the decrease in building operations and of the slump in lumber prices. We are, however, carefully considering whether or not we can cut the same quantities as we did last year at Rimouski, Matane and Metis, which course we would like to adopt if we can persuade ourselves that the lumber market will not decline further. Unfortunately, we shall be unable to cut any wood in Salmon Lake, as the sawmill will close permanently at the end of the present sawing season, owing to the almost entire depletion of the limits which supplied it."

TARIFF-MAKER RUSSELL ENDS 50 YEAR SPAN OF SERVICE TO CANADA

(Continued from page 6)

up and joined the customs service in 1877. Subsequently he was transferred to New Glasgow where the iron and steel industry was being founded. Russell was the customs official who supervised the construction of the Sydney plants, rated the duties on all machinery and equipment going into them. Later on he was sent to Hamilton where he supervised the launching of the steel plants there.

This intimate knowledge of the iron and steel business caused him to be selected to administer the Fielding bounty legislation, and in 1907 he came to Ottawa as tariff expert of the minister of finance. From that time to the present he has literally been indispensable to succeeding ministers. There was no important conference, national or international, in which he did not play his part. His recollections, if he could be prevailed upon to write them, would be amazingly interesting. But fifty-three years of reticence are not easily shaken off. Chatting with the writer on the rear verandah of his house a few weeks ago, he launched into the inside story of certain negotiations between the Canadian and British Governments, only to stop suddenly . . . . "Perhaps I should not mention that," he added. "It might embarrass some of those who were present and are still in public life."

Liberals and Reciprocity

He now adds one new fact to the public information in regard to the ill-fated reciprocity pact of 1911. Before the conclusion of the agreement at Washington and before the treaty was signed, a secret conference was held at which Mr. Fielding represented Canada and Mr. Knox the United States. The subject discussed was the difficulties both parties to the agreement would encounter in obtaining approval of their countries. A secret gentleman's agreement was entered into that neither Government — the Republican Government in the United States or the Liberal Government in Canada — would stress publicly the advantages they would receive at the expense of the other. Many thought that Fielding and the Liberals failed to make the most of the reciprocity issue in the 1911 campaign. Many asked: "Why did'nt they stress the advantages Canada would receive?" This is the answer. But while the Canadians honored the pledge to the letter, the Republicans were guilty of election statements which gravely injured the Liberal cause.

In more than twenty years of close association with finance ministers, Mr. Russell has noted gradual changes in methods of public administration. There has been a slow but unceasing growth in the power of the cabinet, a gradual decline in the personal authority of the finance minister. This has come about in a quiet way, without dispute or contention. Fielding rarely consulted the cabinet on tariff matters, never did more than explain his policies to his colleagues in broad, general terms. Laurier was his only confidant. Sir Thomas White, however, followed a policy of less secretiveness. He usually gave the cabinet a detailed statement of tariff changes and Drayton and Robb continued this policy. Dunning further extended it, giving his budget to the cabinet almost in complete detail. In the budget of last May 1, it appears, the only item in regard to which Dunning maintained silence was the placing of tea on the free list. This change was known only to the prime minister and Mr. Dunning. It was written into the budget, by hand, a few minutes before Mr. Dunning rose to speak.

List Canada Power Stock

From Our Own Correspondent

MONTREAL. — There will be listed on the Montreal Stock Exchange, on official notice of issuance, 303,750 additional common shares of no par value of Canada Power and Paper Corp.

Bathurst Mill Activities Reported on Short Time

From Our Own Correspondent

MONTREAL.—Operations at the mill of Bathurst Power and Paper Co. have been curtailed on account of unsatisfactory marketing conditions, according to reports. No immediate indication that activities will be speeded up are apparent and the present part time schedule is expected to remain in force until increased business warrants a change.

Bathurst Power and Paper operates a newsprint and pulp mill at Bathurst, N.B., with a daily capacity of 140 tons of newsprint, 75 tons of kraft pulp and 65 tons of sulphite pulp. Productive capacity of newsprint was brought up to its present figure by the installation of an additional machine which comenced operations in April, 1929.

The company owns and operates a hydro-electric plant with an installed capacity of 15,000 horsepower and controls or owns other power sites capable of development to 40,000 horsepower.

Earnings in 1929 showed a marked drop at $281,550 as compared with $411,782 in the previous year. After all deductions there remained a sum equal to 20 cents a share on the A stock which is entitled to a dividend of $2 a year. One dividend of 25 cents a share, paid in March, 1929, has been distributed on the stock. The shares are quoted around 5 on the Montreal Stock Exchange.

QUEBEC PULP CLOSES DOWN AT CHICOUTIMI

Principal Groundwood Pulp Producer Forced to Act

From Our Own Correspondent

MONTREAL.—Though not entirely expected, action of the Quebec Pulp & Paper Corp. in announcing that it will cease operations at its Chicoutimi mill is really further evidence of the unsatisfactory conditions existing in the pulp and paper industry.

In an official statement W. Stewart McNichol, president, had the following to say:

"Quebec Pulp & Paper Corp. will discontinue operations at its Chicoutimi Mill on October 31, until further notice. This decision is rendered necessary by the unfavorable condition of the groundwood market.

"Usual precautions will be taken to properly protect the assets while the plant is inoperative and further efforts will be made to bring about a favorable settlement of the problems affecting the company and its undertaking."

Ill-Fated Venture

History of Quebec Pulp has not been a pleasing one. The present company came into being three years ago when it acquired the assets and business of Quebec Pulp & Paper Mills, which in turn came into being in 1925 as a result of the reorganization by the bondholders of the Saguenay Pulp and Power Co., the Chicoutimi Pulp Co., and their subsidiaries.

Upon formation of the company some $3,000,000 was paid for all the common stock by Price Bros. and Port Alfred Pulp and Paper Corp. The old bondholders received a small payment of cash and preferred stock in exchange for their holdings in the old companies.

Difficult to Progress

From the start Quebec Pulp has had difficulty in making headway. Operation of a groundwood unit on a profitable basis was largely out of the question. Thus in the period between Dec. 1, 1927 and Dec. 31, 1928, the company reported a loss of $372,576 before depreciation. During the past year the loss was smaller, but still amounted to the substantial sum of $309,082, which brought the total operating deficit up to $681,658.

Efforts have been made by the management to put the property on a paying basis, but unsuccessfully. The president has on more than one occasion pointed out that the manufacturing and marketing of groundwood pulp held no definite hope of profitable development.

Had Three Mills

At the start Quebec Pulp operated three mills, two at Chicoutimi and one at Val Jalbert, the former with a capacity of 350 tons and the latter 125 tons daily. In September, 1929, the company closed down and dismantled the Val Jalbert mill. No. 2 mill at Chicoutimi ceased operations later on and production confined to No. 1 mill. The major share of the output was shipped to the United States.

While the company had not been operating on a profitable basis, care had been taken to keep the properties in first class shape. The financial structure was also improved, by the retirement of all the outstanding bonds of subsidiary companies.

Valuable Timber Limits

Assets of Quebec Pulp were shown on the books at the end of last year at $11,388,961, of which property and equipment totalled $10,275,516. This compares with capital stock outstanding of $7,000,000 of preferred and $3,000,000 of common.

Principal asset consists of some 5,000,000 cords of freehold and leasehold pulpwood on the Saguenay and Peribonka watersheds. In addition the company owns through a subsidiary, Saguenay Light and Power, which has water power sites with a combined potential capacity of 60,000 h.p., of which 36,000 h.p. are developed.

MERSEY PAPER OPERATIONS CUT DUE LOW WATER

Production and Earnings to Date Considered Satisfactory

From Our Own Correspondent

MONTREAL.—Plant operations of Mersey Paper Co. have been affected to some extent by the unusually severe drought which has been experienced throughout Nova Scotia this year. In some districts the shortage of water has given rise to an acute problem, while few, if any, places report a normal supply.

Until within recent weeks Mersey Paper has been operating at capacity, with output running around 250 tons of newsprint a day. At times the mill has run well over the rated capacity and, taken on the whole, the new machines have been giving excellent service since they were first put into operation last December.

As far as can be learned, earnings of the company have been on a satisfactory basis. Interest charges have been fully met.

It is further understood that Mersey Paper is considering the installation of a third machine of 125 tons capacity. This matter was broached some time ago but to date the management has not taken any definite step. Present production is all sold, mostly on long term contracts in the New York market.

Some doubt exists if the management will take any immediate steps toward enlarging capacity. The plants are now capable of taking another machine, so that there would be no need for capital expenditure on new buildings, etc. But the state of the newsprint market is not promising at the moment nor does there appear to be any immediate improvement in sight. Until conditions are righted, it is not likely that the third machine will be installed.

Elect Permanent Secretary Newsprint Institute of Can.

MONTREAL. — W. H. O'Reilly, who has been associated with the organization since its inception, has been elected permanent secretary of the Newsprint Institute of Canada.

He replaces Percy B. Wilson, who died rather suddenly a short time ago. At the meeting at which Mr. O'Reilly's promotion was confirmed, no definite action was taken on Col. J. H. Price's resignation as chairman of the institute. This was offered a few weeks ago, but the matter has been allowed to stand for the time being.

Sutcliffe Company Ltd.
CONSULTING ENGINEERS
and
ONTARIO LAND SURVEYORS
NEW LISKEARD, ONTARIO

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Consulting Forestry
JAMES W. SEWALL
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Moses H. Teaze, Member A.S.M.E., E.I.C.
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Pulp and Paper Mills *Power Developments*

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. Sault Ste. Marie, Ont.
Beaupre, Que. Iroquois Falls, Ont.
Sturgeon Falls, Ont. Smooth Rock Falls, Ont.
Espanola, Ont. Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

The Canada Power & Paper Corporation
Total Daily Capacity of Plants:
2,464 Tons of Newsprint
130 Tons Pure Kraft Paper
130 Tons Pure Sulphate Pulp
also producing
CARDBOARD, INSUL BOARD, WRAPPER and SULPHITE and GROUNDWOOD PULPS
SAW MILLS AT PEMBROKE, ONT., producing White Pine, Red Pine and Spruce Lumber Pickets, Laths, etc. — Annual Capacity of 25,000,000 F. B. M.
Successor and Operating Company of Belgo-Canadian Paper Company Limited, Shawinigan Falls, Que.
St. Maurice Paper Company Limited, Cap de la Madeleine, Que.
Laurentide Company Limited, Grand'Mere, Que.
Laurentide-Ottawa Company Limited, Pembroke, Ont.
Port Alfred Pulp and Paper Corporation, Port Alfred, Que.
Wayagamack Pulp and Paper Co. Ltd., Three Rivers, Que.
Anglo-Canadian Pulp and Paper Mills Limited, Quebec, P.Q.
Head Office:
MONTREAL-QUEBEC

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LIMITED
Designers, Fabricators and Erectors
of every class of
Structural Steel Work
Head Office and Works:
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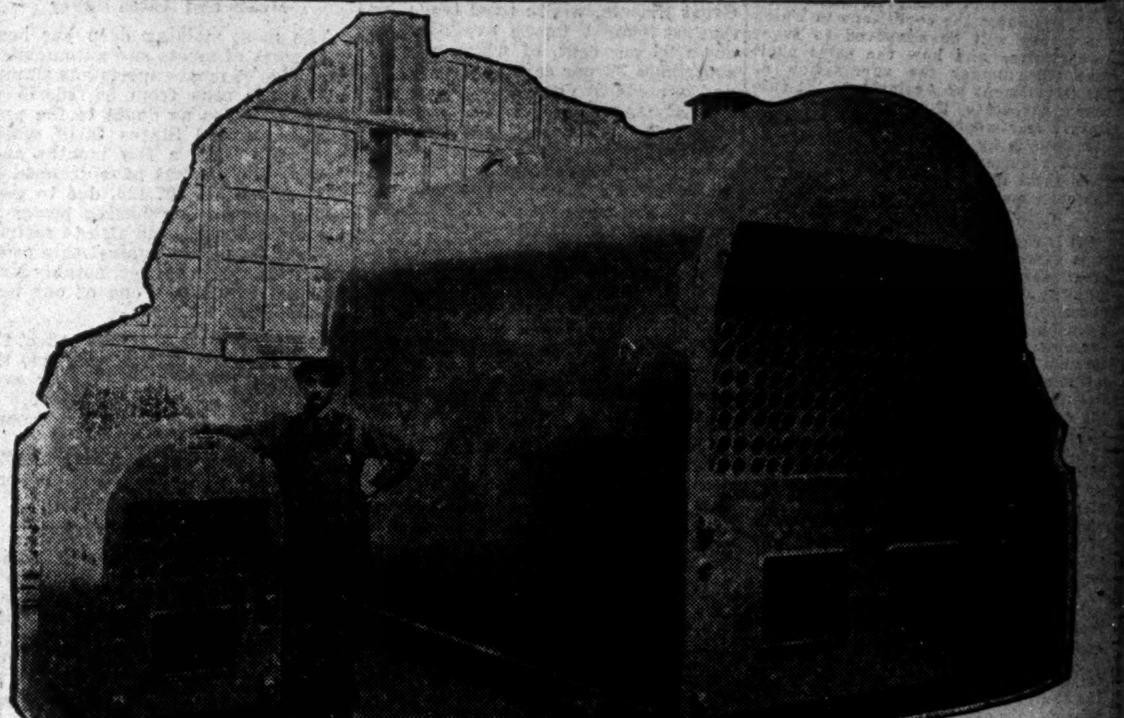
Write for booklet "Out of the Forests, Warmth and Comfort for the Home" describing the advantages of Donnacona insulation. A Product of PRICE BROTHERS & COMPANY Limited, Quebec, Canada. *(Established over 100 years.)*

WHAT ABOUT the ROOF LINE ?

Uninsulated roofs are responsible for 25% of the heat loss in the average home. For added comfort and lower fuel bills make sure the roof is insulated.

DONNACONA INSULATING LUMBER



INGLIS SUPREME HEATING BOILERS
Answer EVERY Heating Problem—

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Our trained Engineers easily solve all heating problems by recommending the correct size of SUPREME Heating Boiler to do the work efficiently and economically.

This new boiler is made for low-pressure steam heating with a maximum of 30 pounds working pressure, and hot water heating installations. Both types are adaptable for stokers and oil firing.

It is built of flange steel, electrically welded throughout. Both fire and water sides are welded where the products of combustion are in contact with the seams.

The fire-box and combustion chamber are completely surrounded by water. The cast-iron frames for mounting the fire and flue door are fitted with a special inner flange to protect all welded joints from cold air blasts when the doors are opened.

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The base is of cast-iron in four sections, and is fitted with shaking grates, bridge-wall support, front ash and regular door, and rear clean-out door.

Each boiler comes complete with fittings ready to install, and is fully guaranteed.

The John Inglis COMPANY LIMITED
14 Strachan Avenue - Toronto
618 Castle Building - Montreal

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Wayagamack

I hold some 6 per cent bonds of Wayagamack Pulp & Paper Co., 6 per cent. In view of the situation in the pulp and paper industry, do you think I should hold to this security?

Though the situation in the kraft industry is not entirely satisfactory, we think the first mortgage 6 per cent bonds of Wayagamack Pulp & Paper Co. can be regarded as a satisfactory investment. The bonds represent a first charge on the property and earnings should be sufficient to take care of interest requirements in the future. Since the company's acquisition by Canada Power & Paper, a financial statement has not been published since 1928; in that year earnings were ample to take care of bond interest requirements.

If you hold a diversified list of securities we think your Wayagamack bonds might be retained.

Amos Power Co.

Please give me some information on the situation surrounding the bonds of Amos Water & Power Co.

Bondholders of Amos Water & Power Company have agreed to a three year extension in the maturity of their bonds which were due in June, 1930. The issue comprises $75,000 of seven per cent first mortgage bonds. As you know, the company is a subsidiary of Municipal Service Corp., and the Amos bond issue underlies the securities of the parent company. Accordingly the extension was granted on the understanding that Municipal Service Corp., now in process of reorganization, would pay interest on the bonds.

We understand that several operating changes have been effected in the Amos property and an improvement in earnings is expected.

Can. Ind. Alcohol

I bought some Canadian Industrial Alcohol at 19 and would be obliged if you would give me some information on the current situation surrounding the company. Rumors are that it will go into liquidation. Do you think this is true?

Canadian Industrial Alcohol has received some severe set- backs in the past year and the immediate outlook for the company is not encouraging. The new legislation touching exports to the United States and the long-drawn out litigation involving the president of the company have been two main factors in the decline in Industrial Alcohol's earnings. The company, however, still has a large supply of liquor on hand which constitutes a valuable potential asset.

The problem which confronts the company is largely one of merchandising. Competition in the export market is very keen and profits in this field have been cut since clearances to the United States have been prohibited. There appears to be, however, a strong tendency to the belief that there will be some amendment made to existing liquor laws in the United States; if such a change is made the position of Canadian Industrial Alcohol will be materially strengthened.

We think there is little likelihood of the company going into liquidation though it is possible that some reorganization of the capital structure might be carried out unless earnings show considerable improvement.

Steel of Canada

As a reader of The Financial Post I would like to ask you what benefits will accrue to the ordinary shares of Steel Company of Canada if the last judgment handed down in the litigation surrounding the shares, is upheld. When was the company formed and at what rate have dividends been paid on the common?

If the decision of the appellate division of the Supreme Court of Ontario, regarding dividends on the ordinary shares of Steel Company of Canada, is upheld, the company would be liable to arrears of dividends of about $5,000,000 on the ordinary stock before there could be any increase on the preference over 7 per cent.

The company was incorporated in 1910, and dividends on the common were paid at the rate of 4 per cent in 1916, 6 per cent in 1917 and 1918, and 7 per cent thereafter.

Eastern Dairies

I am a subscriber to The Financial Post and would be obliged if you would give me your opinion as to the merits of the preferred stock of Eastern Dairies. What is the market for the shares?

Eastern Dairies has expanded its activities materially in the past two years. Earnings have increased and the common stock was recently placed on a dividend basis. The company is one of the largest dairy concerns in Canada, and we think the preferred stock may be regarded as a satisfactory investment. The stock is currently quoted around 98-101.

Windsor Hotel

The yield on the preferred shares of Windsor Hotel Co. is attractively high. Would you recommend this stock as a safe investment? I have some money to invest but do not want to purchase any stock that is speculative.

The comparatively high yields on the preferred stock of Windsor Hotel is an indication that the shares have a speculative tinge. The shares are not seasoned, nor has the present company an established record of earnings. Though revenue in the past two years which have passed since its incorporation have been ample to take care of preferred dividends, it is possible that earnings will be lower this year. Investments in the junior securities of hotel companies in Canada have not proved entirely satisfactory in recent years, and we think you might consider some other stock if you are seeking a really sound investment.

Canadian Pacific

I am at a loss to understand why C. P. R. shares are holding up at such a comparatively high level when earnings have declined. Can you give me a reason for this?

There are several factors which have tended to support the shares of Canadian Pacific Railway marketwise. As you know, one of the functions of the stock market is to discount the future; though it has been apparent for some time that earnings this year will be lower, the outlook for the future is improved. Again, in times of business depression high grade investment stocks are more sought after, a factor which has strengthened the demand for C. P. R. shares. The four for one stock split should also be a stabilizing factor in the market for the C. P. R. securities.

Gypsum, Lime, Canada

A customer of ours is seeking to make a conservative investment and has in mind the common shares of Gypsum, Lime & Alabastine, Canada. What are the chances for a continuance of dividends; would you recommend this stock; and is there a good market for the shares?

The shares of Gypsum, Lime & Alabastine, Canada, cannot yet be considered a conservative investment. The company has carried out wide expansion in the last four years and now occupies a strong position in the industry it serves.

In a statement recently issued covering seven months' operations ended July 31, 1930, net profits amounted to $192,658 as compared with $963,320 in the twelve months ended December 31, 1929. Though a decline is indicated, R. E. Haire, president of the company, states that sales for the first eight months of 1930 are only slightly down from those of the corresponding period of last year and that profits for the year to date are sufficient to pay all carrying charges and dividends.

Whether your customer should purchase some of the stock appears to depend largely on his financial position and his present investment portfolio. We would not recommend a large commitment in the shares at present though we think some of the stock might be added to a well diversified list of sound securities. There is a ready market for the stock at all times.

E. L. Ruddy

Please advise me as to the safety of the bonds and preferred stock of E. L. Ruddy & Co. Are these issues a good investment?

Without information as to earnings of E. L. Ruddy & Co., Ltd., in 1929, the position of the bond and preferred stock is hard to gauge. The earnings after depreciation in 1928 were 8.96 times interest necessary to pay on the bonds. The working capital position was fair and the preferred dividends were earned three times over.

An expansion policy is still being pursued by the Claude Neon General Advertising which acquired control early this year. The company has done well enough in the past to make its position an interesting one, and if the 1929 and 1930 figures have been living up to the 1928 example, the position of the bonds and preferred stock could be considered excellent.

F. N. Burt; Hunt's; B. A. Oil

Are F. N. Burt and Hunt's Candy strong stocks for a long hold? Is there any special cause for the recent fall in price of B. A. Oil? What is the general outlook for Montreal Power?

Hunt's and F. N. Burt common stocks for a long hold have decided attractions as both companies are well managed and show a good internal position.

The past history of British American Oil gives confidence as to its future despite any recent fall in market valuation. Results of the present year will not be conclusive with regard to well established and financed companies, but there is every reason to believe that B. A. Oil will show up well in this particular in 1930.

The general outlook for Montreal Power remains good. It cannot expect to improve its position in depressed years as quickly as in the past but as a rule public utilities resist depressions better than other kinds of business.

A Good List

Please give me your opinion of the best six or seven Canadian common stocks for an investment of about $50,000. I am considering the following: International Nickel, Noranda, Consolidated Smelters, Page-Hersey, Service Station, preferred, Imperial Oil, Brazilian, Shawinigan.

I would like to have your opinion on some of the best of these, or on any others you might suggest. The income from dividends is not of primary importance just now.

Your selection of Canadian common stocks for an investment of about $50,000 is excellent. Under present disturbed conditions of business and of the stock markets it might be well to spread your buying over a period, buying some of the stock on recessions. Though there might also be fluctuations in Page-Hersey, Service Station preferred and Shawinigan, these would appear best to us for buying at the present market.

It would appear to us conservative to buy International Nickel anywhere from 18 to 24, Noranda at 20 or below, Consolidated Smelters on recessions. Imperial on recessions to 20 and below, and Brazilian on recessions to 30.

We mention the possibility of recessions in these and other stocks, not because the stocks are not worth what they are selling for now, but because something may be saved by not buying on top of what might be a temporary upward movement. Brazilian is having an improving position at the moment because of the improving milreis. If the exchange turned backward so would Brazilian.

The possibility of recession in connection with International Nickel, Noranda and Consolidated Smelters is hinted at because of the very depressed conditions of the copper markets and of base metal markets generally. When world surpluses are lapped up and base metal prices rise whether that happens next year or a few years later, these stocks will have a strong upward rise. In the meantime buying should be careful so as to get the benefits of any recessions.

Premier Royalties

A friend is pressing me to purchase some shares in Premier Royalties. I do not know how they derive their revenue but it is claimed that 12 per cent is paid. Your opinion of this form of investment would be appreciated. I am not in favor of risking any capital at present.

The sales prospectus of Commercial Finance Corp., in offering units of one 12 per cent preferred share and one common share for $12.50 per unit of Premier Royalties, Limited, states that this company was incorporated under Dominion laws to acquire the assets of the Senior Royalties Investment Syndicate, and to engage further in the oil royalty business.

It may be true that the company will pay 12 per cent per annum on the money paid for these units, as a number of companies in the same line of business have paid such dividends for some years. It is a hazardous business, however, and oil royalties often diminish very quickly in value. These high dividends often prove to be in great part return of capital and in this case it would be the part of conservative financing to consider the higher returns from this angle. Success depends on continued judgment in selection of oil royalties. The situation is complicated by pro rata programme.

First C. G. I. Trust

At the inception of the First Canadian General Investment Trust, I purchased a substantial block of stock which at present levels gives me a heavy loss. I should appreciate your opinion of this stock as a hold. Would you advise selling at present prices?

Many of the stocks held in the portfolio of the First Canadian General Investment Trust should show appreciation with a return of active business, when that comes. In your place we would be rather inclined to await such a period in the hope that there would be improvement in the stock which you bought.

Crown Dominion Oil

What is your opinion of Crown Dominion Oil Co.?

Crown Dominion Oil Co. is a small company expanding rapidly. The stock is speculative until results of first efforts over one or two years are apparent. It has no refinery.

Montreal Power

I have been advised to buy some shares of Montreal Power as an investment for three or four years. I am not well acquainted with the record of this stock; would you recommend the shares?

We would certainly recommend the purchase of the shares of Montreal Power. This stock is highly regarded and represents an investment in one of the leading Canadian utilities. Montreal Power is continually expanding its system and earnings during the current year are showing gains.

Enamel and Heating

What do you hear regarding Enamel & Heating Products? Is the company doing well and would you advise the purchase of some of its shares?

There has been little information available on the operations of Enamel & Heating Products. The dividend payment on the common stock was reduced from $2 to $1 a share a few months ago, indicating that earnings have shown some decline. We would not recommend the purchase of this stock. The company has not made appreciable progress since its formation two years ago and there is not an active market for its shares.

Canadian Canners

Would you consider the following bonds a safe investment for a farmer who is likely to hold them until maturity:

Canadian Canners Ltd., 6 per cent, 1950; Canada Steamship Lines Ltd., 6 per cent, 1941; Canada Power and Paper Co. Ltd., 5½ per cent, 1958, Beauharnois Power Corporation, 6 per cent, 1959; for an investment of $1,000.

The 6 per cent bonds of Canadian Canners, due 1950, would be the most suitable investment for your client of the bonds you mention. An investment of $1,000 is not sufficient to spread over four bonds.

Burns & Co.

A client of ours is considering the purchase of a block of preferred stock in Burns & Co., Ltd. Do you consider that the company is earning its present dividend and will it be continued?

There are no reports to indicate whether Burns & Co. are earning at present the full dividend on their $6,950,000 of $100 par value 6 per cent cumulative preferred stock.

The company earned $7.04 on this stock in 1929 and paid $6 a share. A further recession in business of the company would have affected this situation, but the company's record of earnings for many years, makes one feel reasonably certain that any deficit in earnings of the preferred would soon be made up with return of active business in the west.

When Women Invest

A WEEKLY FEATURE

Again I seek your advice.

I want to invest a few hundred dollars in something fairly safe and with a chance of improvement in principal. Kindly give me names of a few of the best stocks.

The following list of stocks, which are "safe" and "reasonably safe" with chances of appreciation over a period of years, is given for your choice on the assumption that you have from $200 to $300 with which you wish to buy securities to add to other already held:

- 5 shares C. P. R. new.
- 15 shares of Imperial Oil.
- 15 shares B. A. Oil.
- 20 shares Canada Bread.
- 5 shares Canada Dry.
- 15 shares Canadian Canners 2nd preferred.
- 8 shares Steel of Canada common or preferred.
- 15 shares Moore Corp.
- 20 shares Loblaw "A" or "B".
- 20 shares Loblaw "A" or "B."

It is possible that the dividend may be cut or dropped for a time when adverse conditions are met by one or more of these companies and they desire to conserve capital, but on the whole even in these cases the trend of events seems to be toward better things. Present levels of stock market valuations in most of these cases are out of line with experience in the past decade, and therefore the stocks are suitable for the holder who is not concerned with market fluctuations from day to day.

Photo Engravers

A widow owning her own house and with a guaranteed income for life of $115 per month owns the following investments:

- $2,000 Province of British Columbia 6's, due 1941.
- 5 shs. City Dairy preferred.
- 5 shs. Power Corp. preferred.
- 3 shs. Goodyear preferred.
- 5 shs. Goodyear common.
- 10 shs. Canada Dry common.
- 10 shs. Massey-Harris common.
- 5 shs. Page-Hersey common.
- 10 shs. Photoengravers.
- 10 shs. International Petroleum.

At present she requires a total income of about $135 per month. Would you advise any changes in her list?

What would you suggest as a suitable investment from the proceeds of the 5 shares of City Dairy preferred at $135 per share plus an additional $200 or $300?

As the widow you mention owns her dwelling and has a guaranteed income for life of $115 a month, the additional securities held by her are of companies which seem strong enough to ride out any business storm and establish good earnings again even in cases where profits are, for the moment, very low.

Though well officered and managed and with a good record to date of dividend payments and with good prospects, Photo Engravers is possibly too small a company to include in the list. She should have only stocks of companies so large that a constant, continuous market can be expected year after year for the stock.

We would suggest that the widow strengthen her list still further with the Hydro 4¾ per cent debentures due 1970 to yield 4.60 per cent.

Stock Exchange Creates Market-place for Property

It Gives Ready Marketability to Investor's Share of Company Ownership—Broker is Merely Agent

This is one of a series of articles written for Canadian investors and designed to deal with the subject of investment in fairly elementary fashion. The last article dealt with common stocks and this one discusses the functions of the stock exchange.

ARTICLE FOUR: THE STOCK EXCHANGE

One great advantage which common stocks possess over practically every other form of investment is their ready marketability when they are listed on one of the recognized stock exchanges. Bonds, for the most part, are also readily marketable but they and mortgages, etc. may not be disposed of with the same ease that characterizes practically all listed common stocks which may be turned into cash almost at any hour of the day. Stocks not traded in on an exchange are apt to go to the opposite pole in their lack of marketability.

As the interest in stocks has increased very rapidly in recent years, so the mechanism for the purchase and sale of stocks has been expanded. Nearly every leading city in the world has at least one stock exchange. The largest and best known market for stocks on this continent is, of course, the New York Stock Exchange, which has been in existence for over 75 years and which enjoys an enviable reputation for honest practice and efficient operation. In addition to this, a very large amount of bonds are listed on the New York Stock Exchange and enjoy an active market.

In Canada the two leading stock exchanges, the Montreal Stock Exchange and the Toronto Stock Exchange. On each of these exchanges a large number of stocks and bonds of leading corporations, mostly Canadian, have been listed for trading. The Montreal Curb Exchange provides a similar market place for other securities. The Standard Stock and Mining Exchange in Toronto specializes in mining stocks. There are smaller exchanges in Vancouver, Victoria, Calgary and Winnipeg.

Origin of Exchange Idea

The origin of the stock exchange goes back to the day when groups of stockbrokers met regularly for the purpose of buying and selling stocks. These meetings were often held on the open street under very crude conditions. Gradually regular meeting places were established and rules covering the transactions between one broker and another were agreed upon. Today, a well organized stock exchange is the result of many years' experience, and performs the double function of facilitating the purchase and sale of securities and of protecting the interest of the broker on the one hand and the interest of the investor on the other hand. The rules governing the operations of the New York Stock Exchange, for instance, include restrictions as to the type of stock eligible for listing, obligations which must be performed by a company whose stock is listed, obligations which must be performed by the member brokers, fixed brokerage charges based on the market price of the shares, etc. Most stock exchanges have similar rules so that today the investor is protected from unscrupulous promoters or brokers.

Law of Supply and Demand

The stock market is based on exactly the same in principle as a fruit market, egg market, grain market or any other kind of market. As in every open market, the price of the article dealt in is determined by the simple laws of supply and demand. If a large number of people think that a stock is cheap and place buying orders for it, the price will advance and in the same way if a large number of selling orders for a stock enter the market, the price will be depressed. It must not be supposed, however, that the price of a stock has necessarily any relation to its value. It is quite possible for a stock to sell at $50 a share and be worth only $10 a share, while another stock selling at $50 a share may be worth $100 a share. The real value of a stock is more important to the investor than the temporary market price, as sooner or later the price of most stocks will reflect fairly accurately the real value. The speculator, on the other hand, is less interested in the real value of a stock but watches very closely the fluctuations in the market price and attempts to gauge the factors of supply and demand so that he may take advantage of the movements in the price of a stock, from day to day, or month to month.

Value to Nation

Perhaps to some the service performed by the stock exchange is not clear. Obviously it makes it easier and safer to trade in stocks but what advantage is derived from that? Economically speaking, of what use is the stock exchange in our national life?

The answer is decisive. The great industrial and agricultural expansion of the country during the past generation has been made possible through the medium of bonds and stocks. Our railways, factories, power plants, mines, practically all units in our development have been financed by public investment in securities of companies engaged in those lines of business. The stock exchange has provided the means whereby investments of this kind may be resold by those who buy them, thus giving to all such securities one of their most important assets, namely, marketability. The purchase of stocks would be much less popular and the growth of our industries would be retarded correspondingly if it were not for the function which the stock exchanges in our various cities fulfill.

Property Traded In

One point should never be obscured—the man who buys and sells securities on the stock exchange is not dealing in scraps of paper. He is dealing in certificates of ownership and therefore he is dealing in productive property.

Stock exchanges are groups of brokers whose function it is to act as agents in buying and selling any individual investor's share in the productive property that is represented by partial ownership shares in companies incorporated on the joint stock principle. The stock broker executes orders for a commission. He may give advice, he may himself be interested in the stocks he is buying and selling for his clients, he may provide statistical and other data for his clients, he may conduct marginal operations but primarily he is a trade agent, working for a commission, and bound by the ethics of his profession and the rules of the exchange to serve his client well and independent of personal prejudice or thought of gain apart from the fixed commission he charges for his services.

The stock exchange has not altered the fundamental character of trading in property. It has merely provided machinery for speeding up and decomplicating the process in these otherwise complex times.

Announcement

SOMERVILLE, STRATTON AND LINDSEY

announce the formation of a partnership with George A. Somerville, member Toronto Stock Exchange; Wilfred W. Stratton, member Toronto Stock Exchange, and Charles B. Lindsey, as partners.

The new firm will continue the Stock Exchange business formerly carried on by G. A. Somerville & Company Limited, and Campbell, Stratton and Lindsey, with offices in the Star Building, King Street West.

Diversity and Yield

From the standpoint of both diversity and attractive yield, we recommend the purchase of the following two bonds.

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6% First Mortgage Bonds,
Due Nov. 1, 1949.
Price: 100 and interest
to yield 6 per cent.

Architects Building (Montreal),
6% First (closed) Mortgage Bonds,
Due May 1, 1945.
Price: 98 and interest
to yield 6.20 per cent.

Full particulars mailed on request

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Price: to yield 5.20%
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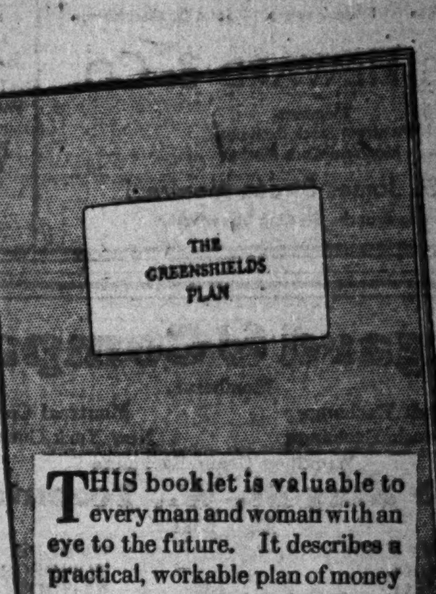

THIS booklet is valuable to every man and woman with an eye to the future. It describes a practical, workable plan of money management applicable alike to the requirements of the large investor and the investor who is just making a beginning.

A copy of The Greenshields Plan will be mailed on request

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- The Textile Industry
- Atchison's Dividend
- What Bond Policy Now?
- Wrigley Rides Against Tide
- Present Status of Insurance Stocks
- Northern States Power—Utilities Power & Light
- Psychology and the Market

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WEEK ENDING OCTOBER 20

Dividends Declared

Unlisted Canadian Securities

(Furnished by A. J. Pattison, Jr. & Co. Ltd.)

October 21, 1930

Listed Bond Quotations

Week Ending October 20

† Latest bid.

Dominion Govt. Bonds (Montreal)

				Bid				
War Loan	5	1931	4.30	100.80	100.80	100.55	101.00	99.70
Do.	5	1937	4.08	104.95	105.00	104.90	105.95	100.90
Victory Loan	5½	1933	4.37	103.40	103.55	103.40	103.65	101.60
Do.	5½	1934	4.60	103.35	103.50	103.35	103.90	101.05
Do.	5½	1937	4.05	108.90	108.95	108.60	109.60	103.90
Do., refund	4½	1940	4.48	99.70	99.85	99.70	101.55	95.10
Do., refund	5	1943	4.55	103.60	104.00	103.50	104.00	100.30
Do., refund	4½	1944	4.50	99.70	99.95	.....	100.50	95.30
Do., refund	4½	1946	4.45	99.70	99.70	99.60	100.25	96.10
Do., renewal	5½	1932	4.64	101.90	101.90	101.65	102.10	100.75

Foreign Exchange

NEW YORK FUNDS

	High (Discount)	Low	Last Year High (Premium)	Low
October 15	7-64	1-8	1 1-16	7-8
October 16	7-64	1-8	57-64	7-8
October 17	7-64	7-8	1%	27-32
October 18	3-32	7-64	1 1-64	31-32
October 20	3-32	7-64	1 3-64	1%
October 21	5-64	7-64	1 1-16	15-16

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
October 15	4.85 3-4	3.91 7-8	5.23 7-16
October 16	4.86 13-16	3.92 1-16	5.23 7-16
October 17	4.85 13-16	3.92 1-4	5.23 1-2
October 18	4.85 27-32	3.92 1-4	5.23 5-8
October 20	4.85 27-32	3.92 7-16	5.23 9.16
October 21	4.85 7-8	3.92 7-16	5.23 1-2

FOREIGN EXCHANGE

Par		Oct. 7	Oct. 14	Oct. 21
5.263	Italian	5.23¾	5.22¾	5.23¾
23.80	German	23.76	23.73	23.80½
13.90		13.91½	13.92½	13.91½
49.80	Japanese	49.50	49.60	49.60

Montreal, Toronto and Curb Stocks

25	17	.	...	Windsor Hotel	17	..	..	..
82½	78	6.50	8.33	Do. pref.	78	..	..	..
54	19	2	10.00	Winnipeg Elec.	24	23⅛	19	19
104½	98	7	7.07	Do. pref.	98	99	98	99
x30	30	.	...	Woods Mfg.	30	..	..	..
74	74	7	9.45	Do. pref.	74	..	..	..
85	72	7	9.72	Wood, Al., 1 pf.	72	..	..	..
2⅛	1½	.	...	Zimmerknit	1¾	..	..	..
25	4	.	...	Do. pref.	11	..	..	..

x Quotation for 1929. No sales recorded in 1930 to date.
† $1 each for 1928 and 1929 and 50c interim. a. Stock dividend b. New York quotations. c. Stock dividend instead of cash dividend payable Dec. 1.

H. C. Flood's Active Bond Prices

October 20, 1930

Northwestern Utilities 1st 7/38	104	Dec. 1	
Power Corp. of Canada 4½/59	90	Mar. 1	
Price Bros. 1st S.F. Series A 6/43	104½	Feb. 1	
Quebec Power 1st Mtge. Coll. S.F. 5/68	103½	Dec. 1	
Rio de Janeiro Trams. 5/35	99	Jan.	
Shawinigan W. & P. 4½/68	98	Dec. 1	
Simpsons 6/49	102	Jan. 2	
Sou. Canada Power 1st 5/55	102½	Apr. 1	
United Securities Coll. Trust 5½/52	101½	Nov. 1	
Wayagamack P. & P. 1st S.F. 6/51	97	Feb. 1	
Winnipeg Electric Ref. 6/54	102	Apr. 1	

Winnipeg Grain Prices

Week to October 21

Crop Year High	Low		Oct. 15 Open	week High for	week Low for	Oct. 21 Close
		Wheat				
1.44¼	.68	October	.71	.73⅛	.69¼	[illegible]
.88¾	.68¼	November	.71¾	.74⅜	.70⅝	.73
1.18⅞	.69	December	.71½	.75⅝	.71	[illegible]
1.13⅞	.74⅞	May	.77	.81⅝	.76¼	[illegible]
		Oats				
.60½	.28¾	October	.33¼	.35½	.31¼	[illegible]
.49	.30	December	.31⅝	.33⅛	.31⅛	[illegible]
.52	.34	May	.35⅜	.36⅝	.35	[illegible]
		Barley				
.60	.27⅛	October	.31	.31	.28¼	[illegible]
.31⅜	.29	November	...	.29⅝	.29	[illegible]
.52	.29	December	.31⅛	.32¼	.29⅝	[illegible]
.49	.34½	May	.37	.37½	.35	[illegible]
		Flax				
2.35	1.26½	October	1.30	1.34½	[illegible]	1.29
1.90	1.25	December	1.28	1.31⅞	[illegible]	1.27⅝
1.52½	1.31	May	1.36	1.39	[illegible]	[illegible]
		Rye				
.84	.34	October	.38	.39¼	.36½	.37¼
.71	.36⅝	December	.38¾	.41	.38¼	[illegible]
.75	.41¼	May	.45⅛	.46¾	.44¼	.44⅝

Winnipeg Stock Exchange

October 13

	Bid	Ask		Bid	Ask
Beaver Fire	..	120	Monarch Life	28	..
Beaver Lumber c.	..	19	North. Can. Mtg.	..	25
Do., pref.	..	105	North. Mtge. par pd.	12	..
Can. Fire Ins.	..	92	Northern Trust	..	45
Can. Indemnity	125	...	Sovereign Life	..	45
Crescent creamery	92	..	Traders Bldg.	90	..
Gt. West Life	..	630	West. Breweries	4½	..
Home Investment	..	70	Un. Gr. Growers	4½	..

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WALKER ENDS EXPANSION ERA, REACHES GOAL

Earns Dividend Despite Legal and Economic Obstacles Set Up

CONSOLIDATE STATUS

Government Prohibition of Export to "Dry" Countries Affected "Very Profitable" Business

Hiram Walker-Gooderham & Worts had net earnings for the year ending August 31, 1930, of $2,424,306 after provision for depreciation, bad accounts, contingencies and Federal taxes for 1929 as compared with earnings in the preceding year of $2,899,140 and of $3,442,378 in 1928.

In other words, there was earned on the common stock, which pays dividends at the annual rate of $1 a share, in the year ended August 31, 1930, an amount of 92 cents a share as compared with $1.48 share in 1929 and $1.30 in 1928, the latter being without deduction of Federal income taxes.

If federal income taxes of $332,-856 are eliminated from the estimate for the year ending August 31, 1930, net earnings are $2,757,164, equal to $1.04 a share on the stock. In 1929 the income taxation deduction for the previous year was $218,528, and in the current year deduction will be under $200,000.

Inasmuch as W. J. Hume, president, states in the report to shareholders that very substantial amounts had been applied to reserves for depreciation and contingencies, there seems to be reason for his opinion that this report indicates the available profits as "still ample for dividend requirements." It may be noted here that depreciation reserves on plant and equipment and for contingencies totals $4,186,696 as against $3,801,321 a year earlier, an increase of $385,375. The valuation of plant and equipment is also shown at $8,464,179, an increase of $233,980.

Company Reaches Goal

Mr. Hume states that the present plant and equipment have now been brought to the state of efficiency and to the capacity planned for them, and that consequently the directors do not contemplate any further capital expenditures on building and equipment account. It is possible that operating costs may be lower in the current year as Mr. Hume also states that sufficient warehouse space is available for the 14,500,000 proof gallons of spirits in stock (which is 2,000,000 gallons more than a year ago) and that future manufacturing programmes will be determined with a view to maintaining stocks at this figure. In other words, operations in the current year will be gauged to meet current requirements and in all probability will be at least 2,000,000 gallons less than for the year ending August 31. The company's plants have a capacity output of 11,000,000 gallons of proof spirits annually, but they may not run this year to 80 per cent of capacity unless present conditions curtailing marketing are changed.

W. J. Hume states in the report that lower earnings are the result not only of the general depression in business but of the recent action of the Federal Government in prohibiting the export of liquor to countries whose laws forbid its importation.

"A very profitable portion of the company's sales was affected," he said, "and although a large portion of the export business is available in other areas, the conditions of operation and prices are at the moment very unsatisfactory. If sales are to be made it is necessary to assume heavy financial risks of a nature which your directors have not felt justified in assuming. It is hoped, however, that this situation will materially improve in the near future since the importance of a proper basis in disposing of their products is a matter which should impress itself upon all engaged in this business.

"There is room for much improvement in the domestic market, and the demand for Canadian-made goods would undoubtedly be increased if the Government could be prevailed upon to grant a reasonable amount of protection to the Canadian distilling industry. Over 2,250,000 proof gallons of beverage spirits are now being imported annually into Canada, the total for the year ended March 31, 1930, being 2,446,800 proof gallons. These figures include more than 250,000 proof gallons, in the form of rum, that are now entering the country each year actually at a lower rate of duty than paid by spirits of Canadian manufacture; also an additional 350,000 proof gallons of brandy imported each year at exactly the same duty as levied on Canadian spirits; affording not a particle of protection for the Canadian distillers. The remaining imports of beverage spirits enter under the general tariff, which provides a protection for the home industry of only 11 per cent—an insignificant margin when compared with that enjoyed by other manufacturers, and quite out of line with the treatment given to their domestic distillers by other governments. While the serious nature of this competition has been brought to the attention of the government, no relief has been forthcoming so far."

Non-Beverages Do Well

The president also states that the company has been able to maintain its position in the industrial alcohol field. Prices are now more satisfactory, certain producers formerly quoting uneconomic prices having practically ceased to operate with a consequent benefit to the industry.

During the year a subsidiary company, Dominion Carbonic Co., was formed for the purpose of distributing carbonic acid gas, which is a by-product. A substantial interest was also secured in two firms of blenders and bottlers in Glasgow, Scotland—Jas. & George Stodart, Ltd., The Stirling Bonding Co., Ltd. Results from the comparatively small investment made in these concerns were very satisfactory.

Working Capital Very Strong

The working capital position of the company has been strengthened during the year, current assets at $18,783,313 being 18 to 1 of current liabilities as compared with 15 to 1 a year ago.

	Aug. 31 1930 $	Aug. 31 1929 $	Aug. 31 1928 $
Curr. assets	18,783,313	19,342,986	7,892,704
Curr. liabs.	1,040,528	1,315,333	1,392,392
Net working capital	17,742,785	18,027,653	6,501,312
Curr. ratio	18 to 1	15 to 1	5 2/3 to 1

Permanent Investments Postponed

The highly liquid condition of the company's assets is enhanced by the fact that the company has still the major part of the surplus funds received from the sale of additional shares in June, 1929, (almost $10,000,000 at that time). This sum, which has occasioned much wonderment as to its eventual disposition, is to be found in the current assets, partly in the $5,558,368 shown as "cash on hand, on deposit or on loan through bank" and partly in $2,226,552 of "Dominion of Canada 5½ per cent 1933 tax free bonds, (par $2,139,000 at cost, premium and accrued interest adjusted)" and in the purchase of the interests already referred to in two Scottish companies and in Dominion Carbonic Co. The due date of the Dominion bonds is of interest.

"The directors," says Mr. Hume, "have investigated a number of propositions which might profitably be operated in conjunction with the company's present activities, but on account of the existing unsettled state of affairs and the tendency toward cutting of prices in the distilling industry, which, is a direct result of the closing of certain markets by the recent amendment to the Export Act, they have considered it prudent to postpone the permanent investment of these funds."

Inventories Are Valuable

Accounts receivable are down from $1,005,401 to $881,365, life insurance premiums are up from $123,714 to $157,723, and inventories are up to $9,959,310 from $8,446,511. The question of inventory valuation is the subject of great differences of opinion among traders in the company stock. The company itself takes the most conservative valuation of all. For example, 14,500,000 proof gallons of spirits are valued at $8,087,858, or about 55 cents a gallon whereas the fully matured spirits are valued by some at ten times that amount. Some give the spirits a potential inventory value of about $60,000,000 whereas others are very much more moderate in their valuations. It is an inventory which increases in value with age, and it appears very much within the mark to say that this one item alone could be increased sufficiently to mark down the balance sheet's valuation of stocks of wholly owned subsidiaries from $12,000,000 to $1. In that case there would be more than $12 of net tangible assets behind each share which now sells for 5⅝. Grains and raw materials at $188,078 and barrels, bottles and supplies at $1,683,375 are the other items entering into inventories.

Plant and equipment are shown at $8,464,179 and on this depreciation has been set up into a reserve now reaching $4,186,696. Shares in Dominion Carbonic Co., Stodart and Stirling Bonding Co. are shown at $257,636.

The capital stock is shown as 2,640,000 no par value common shares valued at $27,900,000 with a capital surplus of $365,976 and an earned surplus of $6,208,479.

The annual meeting will be held at Walkerville, Ont., at the head office of the company at 11.30 a.m. Friday, November 21, 1930.

CONSOLIDATED INCOME & SURPLUS ACCT.
(Years Ended August 31)

	1930 $	1929 $	1928 $
Net profit	2,757,164	4,117,668	3,442,378
Less appropriations: Dividends	2,640,000	1,971,249	957,203
Surplus for year*	117,164	2,146,419	2,485,175
Add: Prev. surplus	7,084,178	5,156,283	2,671,108
Less: Income tax for prev. year	332,859	218,528	......
Balance	6,868,478	7,084,174	5,156,283

*Before provision for income tax.
†Before providing for dividends payable September 15, $660,000.

Earnings Per Share and Dividend Record:

Common:	1929	1930
Earned (based on the number of shares outstanding at the end of the fiscal year	1.56	1.04
Paid	*2.50	1.00

*Consisting of: $2.25 on old stock and 25 cents on the new stock.

Western Grain Co. Elects W. J. T. Kerr New Director

WINNIPEG, MAN.—The chief change at the annual meeting of Western Grain Co. here on October 21, was the election of W. J. T. Kerr as director to take the place left vacant by the resignation of James Stewart. The reports and financial statement as published were adopted.

Other directors elected were C. G. Spencer, president; D. C. Maclachlan, vice-president and managing director; J. B. Rendall, secretary; D. J. Morrison, treasurer; and C. G. Spencer, D. C. Maclachlan, K. B. Stoddart, Donald Morrison, A. H. Williamson, A. C. Reid, C. I. Hall and F. B. Stoddart, as directors.

WATERLOO MFG. CO. EARNINGS LOWERED FISCAL YEAR 1929

Expects Important Production of Sunshine Harvester for Next Year

Net earnings of Waterloo Manufacturing Co. and its subsidiary for the year ended October 31, 1929, after deduction of all prior charges, were equal to $1.25 a share on the outstanding "A" stock as compared with $4.50 a share in the preceding year. Net profit, after depreciation, was $110,126 against $299,238 in the year ending October 31, 1928. There was a surplus of $12,001 after setting aside $8,000 for taxes, $76,374 for dividends on Class "A" stock and $13,750 for dividends on Class "B" stock.

Working capital is still strong with current assets twice current liabilities. Current assets of $2,-869,384 include cash $7,320, notes and accounts receivable of $1,918,-003, inventories of $921,404 and prepaid charges of $22,658. The higher inventories reflect the company's arrangements to manufacture the new Sunshine combine and they are now longer, it is stated.

Current liabilities at $1,156,399 include bank loans at $835,000 against $645,000 a year earlier, and accounts payable at $292,743 as compared with $373,255 on October 31, 1928.

Assets Rise

Fixed assets are valued, after depreciation, at $437,184 against $394,487 a year earlier. Depreciation reserve stands at $34,617 as compared with $21,291 on October 31, 1928. Total assets are shown at $3,326,069 as compared with $2,-877,844.

C. W. Snider, president, attributes the poorer showing to the fact that the company prepared for a normal year while there was only a half crop in the West. Carry-over of inventories became necessary and reducing inventories at the end of the season. Accrued interest on outstanding lien notes owing to the company has not been taken into the statement although it would amount to about $275,000 and constitutes a valuable reserve against outstanding bills and accounts. The surplus of $243,161 has been built up in two years entirely from profits.

Will Make Sunshine Harvesters

A. T. Thom, vice-president and general manager, states that the new plant to manufacture the Sunshine combine was completely covered in October 8, 1930. The factory has three acres of floor space, and will be producing about November 20. Sunshine-Waterloo Co., which was formed for the purpose of manufacturing these machines in Canada, is owned half by Waterloo Manufacturing Co., and half by H. V. McKay Co., of Australia. It is stated that the new plant will be in production in ample time to supply machines for the 1931 harvest.

About 100 machines have been in use during 1930 in the harvest fields of Canada and the United States. Results, the company reports, have been eminently satisfactory to users and therefore to the company.

INCOME AND SURPLUS ACCOUNT
Years ended October 31

	1929 $	1928 $
Net earnings	110,126	299,238
Less: Taxes	8,000	23,500
Int. paid under purchase agree. and div. on Class "A" shares	......	38,055
Proportion of def. charges writ. off	......	6,523
Div. on Class "A"	76,374	......
Div. on Class "B"	13,750	......
Surplus for year	12,000	231,160
Previous surplus	231,160	......
Bal. carried forward	243,160	231,160

Smelter Builds Pipe Line

Construction has been started on a steam pipe line for heating purposes from the boilers at the new slag retreating plant of the Consolidated Mining and Smelting Corporation at Tadanac to the fertilizer plant at Warfield. This line will be 7,500 feet long and constructed of ten inch insulated pipe.

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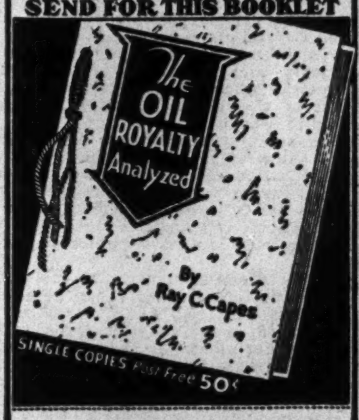

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H. D. ROOD, Manager and Secretary

Mining Stock Quotations

Par Val.	Range High	1930 Low	Company	Close Oct. 13 (or last)	High for week	Low for week	Close Oct. 20
1	1.42	.20	Abana	.23	.25	.20	.20
1	.09½	.01	Aconda	.02	.02	.02	.02
None	.50	.32	Aladdin	.33	....	....	....
None	.50	.30	Aldermac	.40	....	....	....
1	.02½	.00½	Algonquin	.01½	.01½	.01½	.01½
1	.19	.01½	Amity C.	.02	.01½	.01½	.01½
None	1.95	.24	Amulet	.25	.29	.24	.26½
1	.02½	.01½	Ankerite	.02½	....	....	....
1	.04	.00½	Apex	.02½	.02½	.02	.02½
1	.10	.02	Area	.03	.02½	.02	.02
1	.02	.00½	Argo. Con.	.00½	....	....	....
1	.30	.00½	Arno	.02½	.02½	.02	.02½
1	.03	.00½	Astoria	.00½	....	....	....
1	.01	.00½	Atlas	.00½	....	....	....
1	.03½	.01½	Baldwin	.01½	.01½	.01½	.01½
1	.25	.08½	Barry Holl.	.11½	.11	.08½	.09
None	4.45	.90	Base Metals	1.20	1.20	.90	.91
None	.05	.01½	Bathurst	.02	.02	.02	.02
5	6.10	1.79	B'Wana	2.70	2.05	1.79	2.05
1	.32	.12	Bedford	.15	....	....	....
1	.11	.02	Bidgood	.03½	.04	.03½	.03½
1	1.04	.36	Big Missouri	.45	.48	.40	.40½
1	.11	.02	Bobjo	.02	.02½	.02	.02
None	.01½	.00½	Boischatel	.00½	.00½	.00½	.00½
1	.08	.03	Brett Trethewey	.05½	.06	.05½	.06
1	.06	.03	Brit. Canadian	.06	....	....	....
None	.14	.01½	Brownlee	.05½	....	....	....
1	.02½	.00½	Buckingham	.00½	.01	.00½	.01
None	.10½	.01½	Bunker Hill	.04½	.05	.03½	.04
None	.08	.02½	Cal. Flin Flon	.05½	....	....	....
None	.65	.12	Canam Metals	.12	.12	.12	.12
1	.08	.00½	Can. Kirk.	.02	.02	.02	.02
1	.06	.02	Can. Lorraine	.02	....	....	....
.	.15	.15	Canusa	.15	....	....	....
1	.03	.00½	Capital R.	.00½	....	....	....
1	.28	.15	Castle Tre.	.16	.16	.16	.16
1	.29	.05	Cen. Man.	.05½	.06	.05	.06
1	.30	.02	Cen. Patricia	.05	.03½	.03½	.03½
1	.07	.04½	Chaput H.	.04½	....	....	....
None	1.05	.10	Chib. Pros.	.10	....	....	....
None	.08½	.00½	Clericy	.05½	.07½	.04	.07
5	24.00	4.00	Coast Copper	6.50	6.00	5.00	5.50
1	.42	.03	Cobalt Con.	.04	.04	.03	.03½
1	.01	.00½	Col. Kirk.	.00½	....	....	....
1	1.17	.07	Columario	.09½	.09½	.07	.07
5	1.40	.80	Coniagas	.95	.80	.80	.80
5	.60	.15	Coniaurum	.30	.32	.32	.32
25	280.00	120.00	Cons. Smelters	145.00	141.00	120.00	135.00
1	.02	.00½	Corona	.01	....	....	....
1	.02	.00½	Crown Res.	.00½	.01	.01	.01
None	.39½	.05	Dom. Explor.	.06	.06	.05	.05
None	10.20	7.00	Dome Mines	8.50	8.50	8.10	8.25
1	.01½	.00½	Dom. Kirk.	.00½	.00½	.00½	.00½
1	.01	.01	Don. Rouyn	.01	....	....	....
1	.05	.00½	Dunkin	.01½	.00½	.00½	.00½
1	.04	.01	Duprat	.01½	.01½	.01½	.01½
None	.04	.03	Engineers Hold	.03	....	....	....
1	.01	.00½	Everett	.00½	....	....	....
None	6.50	1.25	Falconbridge	1.49	1.60	1.30	1.35
1	.02½	.00½	Federal	.01½	....	....	....
.	.05½	.00½	Flintoba	.00½	....	....	....
None	.24½	.11	Gem Lake	.14	.14	.11	.13
None	.07	.01	Gilbec	.01	....	....	....
1	.04½	.02	Goldale	.02	.02	.02	.02
.	.57	.25	Goldfield	.27	.28	.27	.27
1	.02	.00½	Gold Hill	.00½	....	....	....
1	.10	.02½	Goodfish	.04	.03	.03	.03
1	.03½	.01	Graham	.01	.01	.01	.01
None	2.05	1.00	Granada	1.20	1.21	1.10	1.20
1	.01	.00½	Grover Daley	.00½	....	....	....
.	.10	.03½	Grozelle	.05	....	....	....
1	.03	.01	Harker	.02	....	....	....
1	.18	.10½	Hayden	.10½	....	....	....
1	.10	.00½	Hilltop	.00½	....	....	....
5	6.65	4.90	Hollinger	6.10	6.10	5.70	5.80
1	1.40	.19	Howey Gold	.19	.25½	.19	.22
None	14.65	5.00	Hudson Bay	5.40	5.40	5.00	5.05
None	44.50	16.25	Int. Nickel	17.00	18.75	16.25	18.00
1	.03½	.01½	Jackson M.	.01½	....	....	....
1	.40	.27	Keeley	.27	.27	.27	.27
1	.04	.01	Keora M.	.01½	....	....	....
1	.01½	.00½	Kirk. Hunt.	.00½	....	....	....
1	.95	.40	Kirk. Lake	.46	.48	.40	.43
1	.03½	.01	Kirk. Prem.	.01	.01	.01	.01
20c.	.08	.01	Koot. Flor.	.02	.02	.02	.02
.	.02	.02	La Rose	.02	....	....	....
1	24.75	19.00	Lake Shore	23.50	23.25	21.50	21.75
1	.04	.00½	Laval	.00½	.00½	.00½	.00½
1	.01	.00½	Lorraine C.	.00½	....	....	....
1	.13	.06	Macassa	.07	.06	.06	.06
1	.07	.01½	Malartic	.02	....	....	....
None	.35	.10	Mandy	.15	.15½	.12	.15½
None	.17	.02½	Man. Basin	.03	.03	.02½	.02½
None	.30	.12	McDougall	.19	....	....	....
1	.60	.25	McKinley	.25	....	....	....
5	19.80	15.05	McIntyre	18.00	18.25	18.00	18.00
1	.30	.04	McVittie	.04	....	....	....
5	3.60	.50	Mining Corp.	.70	.95	.60	.74½
1	.01½	.00½	Mint Ore	.00½	....	....	....
1	.04½	.01	Moffatt Hall	.01½	.01½	.01½	.01½
1	.04	.02	Moneta	.02½	....	....	....
1	.50	.10	Moss	.26	....	....	....
1	.05½	.01½	Murphy	.01½	.01½	.01½	.01½
1	.26	.05	Newbec	.05½	.05½	.05	.05
1	.05½	.03	Night Hawk	.03½	....	....	....
5	1.85	1.00	Nipissing	1.25	1.05	1.00	1.00
None	44.25	13.00	Noranda	14.50	14.35	13.00	14.25
1	.46	.20	Nor. Canada	.25	....	....	....
None	.07	.02	Old Colony	.02½	.02	.02	.02
1	1.36	.10	Oriole	.43	....	....	....
1	.30	.10	Osisko	.11	....	....	....
.	27.50	26.00	Pandora Units	27.50	....	....	....
1	.03	.01½	Pawnee Kirk.	.02	.02	.02	.02
None	5.15	.59	Pend. Ore.	.85	.75	.59	.75
1	.19½	.04	Pete. Cobalt	.05	.04½	.04	.04
1	.01½	.00½	Picard	.00½	....	....	....
1	.20	.08½	Pioneer	.09½	.09	.08½	.08½
1	.03½	.01	Potter Doal	.01	....	....	....
1	1.60	.75	Prem. Gold	.79	.76	.75	.75
1	.70	.04	Quemont	.07	....	....	....
1	.03	.00½	Ribago	.00½	....	....	....
1	.10	.02	Ritchie	.06½	.07	.05	.05
1	.04	.00½	R. Montbray	.01	....	....	....
1	.08	.01	Salmo Mal.	.01½	....	....	....
None	.35	.11	San Antonio	.15	.12	.11	.12
1	.56	.40	Seven Troughs	.50	.45	.45	.45
1	3.50	.96	Sherritt G.	1.04	1.07	.97	1.03
1	.75	.24	Siscoe	.38½	.39	.32	.35
1	.04½	.00½	So. Keora	.03½	....	....	....
None	.07	.02	Stadacona	.03	.03	.02½	.02½
1	.29	.04	St. Anthony	.06	.08	.08	.08
.	.25	.11	Stewart Abate	.11	....	....	....
None	5.35	.73	Sud. Basin	.81	.85	.73	.75
1	.05	.01	Sud. Contact	.02	....	....	....
1	.01	.00½	Sudbury M.	.00½	....	....	....
None	.20	.08	Sudbury N.	.12	....	....	....
1	1.00	.20	Sunloch	.74	.20	.20	.20
1	1.02	.39	Sylvanite	.52	.52	.50	.51
1	.22	.06	Tashota	.36	....	....	....

Par Val.	Range High	1930 Low	Company	Close Oct. 13 (or last)	High for week	Low for week	Close Oct. 20
1	7.30	4.70	Teck Hughes	6.30	6.25	5.90	5.90
1	.19	.05	Telluride	.07	....	....	....
1	.12	.02	Thom. Cad'c	.03	....	....	....
1	.03	.02	Temiskaming	.02½	....	....	....
1	.05½	.00½	Tough Oakes	.02	.01½	.01	.01
1	1.50	.20	Towagmac	.25	.30	.20	.20
None	7.50	1.25	Treadwell	1.50	1.50	1.25	1.25
None	3.25	2.75	Tri-Metals	2.75	....	....	....
.	.02	.02	United Kirk.	.02	....	....	....
None	3.50	.58	Ventures	.65	.66	.60	.60
1	.50	.45	Vickers	.45	....	....	....
1	1.42	.60	Vipond	.91	.97	.89	.91
None	5.65	1.49	Waite Ack.	2.00	2.00	1.80	2.00
1	.08	.01	West D. Lake	.03	....	....	....
.	.09	.01½	West Tree	.01½	....	....	....
1	1.30	.15	White Lake	.15	....	....	....
1	.24	.06	Whitewater	.06	....	....	....
1	.05½	.02	Wiltsey	.05	....	....	....
None	.01½	.00½	Windfall R.	.00½	....	....	....
.	.07	.03	Wood Kirk.	.03½	.03½	.03½	.03½
None	2.30	1.35	Wright-Har.	1.70	1.78	1.65	1.75
			WESTERN OIL STOCKS				
1	.70	.05	Acme	.39	.44	.37	.43
1	2.10	2.00	Admiral	2.00	....	....	....
None	1.25	.22	Advance	.23	....	....	....
1	3.75	.30	Alta. Pac.	.47	.48	.40	.43
None	2.00	.21½	Associated	.38	.35	.30	.35
1	2.91	.80	Ajax	1.55	1.55	1.36	1.55
None	1.60	.09	Baltac	.14	.13	.13	.13
1	.20	.07	Black Dia.	.07	....	....	....
1	.74	.25	Brit. Dom.	.30	.31	.30	.30
1	4.25	.43	Calmont	.57	.60	.54	.54
None	3.90	.50	Calgary & Ed.	.60	.70	.65	.66
1	1.00	.10	Comm. Pete.	.20	.25	.20	.22
None	.25	.10	Cypress	.12	....	....	....
1	.50	.45	Dallas	.50	....	....	....
None	3.50	.50	Dalhousie	.60	.70	.55	.60
None	.30	.05	Devenish	.07	.07	.07	.07
None	.26	.05½	Dome Oil	.11½	.12	.10	.12
None	1.80	.13	E. Crest	.73	.82	.70	.77
1	.08½	.03	Fabyan Pete.	.04	.03	.03	.03
None	2.50	.70	Foothills	.70	.85	.85	.85
None	1.00	.14	Freehold	.22½	.21½	.20	.20
1	.20	.02	Great West	.03	....	....	....
None	1.40	.10	Hargal	.29	.20	.15	.15
None	.45	.12	Herron Pete.	.18	....	....	....
None	.26	.05	High Sarcee	.07½	.08	.08	.08
None	10.00	2.00	Home	2.55	2.75	2.50	2.50
None	.82	.15	Homestead	.20	.20	.19	.20
1	.55	.05	Ill. Alta.	.11	.11	.08	.08
None	2.35	.25	Lowery	.40	.50	.33	.35
1	.20	.03	Madison	.04½	.04	.04	.04
1	3.25	.40	Mayland	1.10	1.16	1.00	1.03
None	.33	.10½	McD.S.Ex.Can.	.13½	.13	.12	.12½
1	1.10	.38½	McD. S. N.	.43	.41	.41	.41
1	5.90	.85	McLeod	1.10	1.00	.95	1.00
None	.87	.20½	Mercury	.27	.27½	.26	.26
None	1.05	.03	Merland	.17	.16	.14	.14
1	.42	.14	Mid West	.20	.20	.20	.20
None	2.10	.15	Mill City Pete.	.28	.29½	.24	.29
1	.45	.18	Model	.31½	.31	.28	.28
1	.9	.15½	Monalta	.21	.25½	.20	.20
1	.23	.20	Moose M.	.20	....	....	....
1	.10	.03	New Federal	.03	....	....	....
None	2.32	.45	Nordon	.60	.60	.45	.59
None	.27	.04	Oil Select	.08	.05	.04	.04
None	2.10	.33½	Okalta	.42	.42	.40	.41½
None	.25	.04	Olga Gas & Oil	.07½	.07	.05	.04
1	.58	.11	Petrol	.33	.38	.30	.36
.	2.45	1.70	Penn. Pete.	2.30	....	....	....
None	.43½	.06	Ranchmen's	.12	.14	.12	.13½
1	.45	.05½	Regent	.07½	.06	.05½	.05½
None	.48	.05	Richfield	.13	.13½	.12½	.13½
None	65.00	16.25	Royalite	21.50	21.75	20.00	20.50
1	1.46	.30	Sarnia Oil	.30	....	....	....
1	.50	.15	Sioux City	.15	....	....	....
1	.22½	.05½	Signal Hill	.07½	.07½	.07	.07
1	1.30	.35	Spooner	.45	.47	.42	.44½
None	2.10	.25	So. West. Pete.	.36	.37	.33	.36
None	1.08	.06	Sterling Pac.	.14	....	....	....
.	.20	.05	Turner Basin	.05	.20	.10	.20
1	.60	.08	Turner Valley	.14	.20	.15	.20
None	1.65	.27½	United	.35	.35	.30	.30
None	.83	.19	Vanalta	.19	....	....	....
1	.80	.11½	Vulcan	.15	....	....	....
None	.15	.01½	Wainwell	.02	.02½	.01½	.02
1	1.75	.14	Waite Valley	.20	....	....	....
.	.62	.50	Wellington	.55	.53	.50	.50

VANCOUVER STOCK EXCHANGE
(Transactions for Week to October 15)

Par Val.	Range High	1930 Low	Company	Close Oct. 13 (or last)	High for week	Low for week	Close Oct. 20
25c.	....	....	Bayview	.01	.02	.01	.01
25c.	....	....	Bluebird	.03	.03	.03	.03
1	....	....	Cotton Belt	.15	.12	.12	.12
1	....	....	Duthie	.15	.10	.10	.10
1	4.50	1.05	Goerge Copper	1.15	1.10	1.00	1.00
1	....	....	Georgia	.04	....	....	....
10c.	....	....	Gladstone	....	.02	.02	.02
50c.	....	....	Goerge Enterprise	.02	....	....	....
1	1.90	.40	Golconda	.40	.40	.40	.40
50c.	.90	.05	Grandview	.05½	.06	.05	.05
25c	....	....	L. & L.	.01	....	....	....
1	....	....	Intern. Coal	.17	.15	.14	.15
1	....	....	Independence	.01½	.01	.01	.01
1	.09	.00½	Indian Mines	.02	.06	.06	.06
1	....	....	Los Ang. Van.	.29	....	....	....
10c.	.10	.02	Lucky Jim	.02½	....	....	....
25c.	.56	.01	Kootenay King	.01	.01½	.01½	.01½
2.50	....	....	Marmot Gold	.00½	.01	.01	.01
25c.	....	....	Mohawk	.01	.00½	.00½	.00½
1	....	....	Montana Mines	.30	....	....	....
1	.13½	.01½	Morton Woolsey	.03½	.03½	.03½	.03½
50c.	.26	.02½	National Silver	.03	.03	.03	.03
50c.	.40	.05½	Noble Five	.06½	.06	.05½	.06
50c.	.18	.06	Oregon Cop.	.07	.09	.06	.08
1	1.75	.75	Pioneer Gold	1.05	....	....	....
50c.	.15	.11½	Porter Idaho	.12½	.12½	.11½	.12
None	....	....	Premier Border	.01½	.01½	.01½	.01½
1	1.00	.12	Planet Mines	.15	.15	.13	.14
None	1.78	.25	Reeves McD.	.30	.32	.25	.25
1	....	....	Reno Gold	.25	.24	.24	.24
1	.57	.02	Rufus Argenta	.04	.03½	.02	.03
1	....	....	Silverado	.10	....	....	....
25c.	....	....	Silver Crest	.03	.02½	.02½	.02½
50c.	.26	.04	Snowflake	.04	.05	.04	.04½
1	.25	.04	Ruth Hope	.05	....	....	....
50c.	.06	.01	Topley Rich.	.03	.01½	.01	.01½
20c.	....	....	Wellington	.01	.02	.02	.02
None	.05	.01½	Woodbine	.02½	.02½	.02½	.02½

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Canam Metal.	2c.	....	McIntyre	$1	5.55
Cons. Smelters	$12.50	9.25	Nipissing	30c.	30.00
Dome Mines	$1	12.12	Noranda	$2	14.03
Hollinger	65c	11.20	Premier	24c.	32.00
Home Oil	25c.	....	Royalite	5c.	....
Inter. Nickel	$1	5.55	Teck Hughes	60c.	10.16
Lake Shore	$1.20+30	6.89	United Oils	5c.	....

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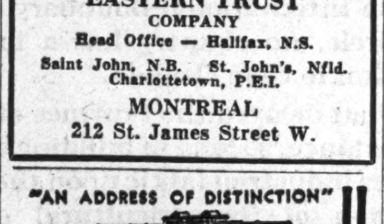

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NEW ISSUE

$9,000,000

Ottawa Valley Power Company

(Developing the Chats Falls power site on the Ottawa River, jointly with The Hydro-Electric Power Commission of Ontario)

5½% First (Closed) Mortgage 40-Year Sinking Fund Gold Bonds

To be dated October 1st, 1930, maturing October 1st, 1970. Principal and interest payable at any branch of the Bank of Montreal in Canada; or, at the holder's option, at the Agency of the Bank of Montreal, New York, or at the Bank of Montreal, London, England. Coupon Bonds, denominations $1,000 and $500, with privilege of registration as to principal. Callable at a premium of 5% up to and including October 1st, 1931, the premium thereafter decreasing ¼ of 1% each two-year period; in each case with accrued interest.
Trustee: The Royal Trust Company.

The Hydro-Electric Power Commission of Ontario has contracted to purchase all primary power to be generated—subject to the Company's right to withdraw power for sale in Quebec—for a term extending beyond the life of these bonds, at a rate which it is estimated will provide average annual earnings available for interest and reserves of more than twice annual bond interest requirements.

CAPITALIZATION
(On completion of present financing)

	Authorized	Outstanding
5½% First (Closed) Mortgage 40-Year Gold Bonds	$9,000,000	$9,000,000
6% Forty-Year Debentures	3,000,000	3,000,000
Common Stock (no par value)	50,000 shs.	50,000 shs.

For detailed information we refer to the circular descriptive of the issue (copies of which will be supplied upon request), which has been summarized in part as follows:—

THE COMPANY: Ottawa Valley Power Company, incorporated under the laws of the Province of Quebec, owns in fee or holds under a lease from the Government of the Province of Quebec extending for seventy-five years from March 1st, 1926, all the water power rights in the Province of Quebec at Chats Falls, on the Ottawa River. The Hydro-Electric Power Commission of Ontario, through lease from the Government of the Province of Ontario, holds all the water power rights in the Province of Ontario at the same site. The Company and the Commission have agreed that each is entitled to one-half of the water available for power, and under agreement have in course of construction a joint development of the entire site. The total initial installation, under the plan of joint development, will be 224,000 horsepower.

The Company's power house containing four units of 28,000 horsepower each, a total of 112,000 horsepower or one-half of the total installed capacity, will be located on the Quebec side of the interprovincial boundary and the Commission's power house will be similar and located on the Ontario side. The dam will be owned on the Quebec side by the Company and on the Ontario side by the Commission, and will be used jointly for the purposes of this development.

Executive and Engineering Boards have been constituted, each consisting of two appointees of the Commission and two of the Company, and construction and installation are being carried out under their supervision.

POWER CONTRACT: The power contract between the Company and The Hydro-Electric Power Commission of Ontario provides for the delivery to the Commission of all primary power generated at the Company's development at Chats Falls except that which the Company may, from time to time, require for use in the Province of Quebec. The contract is for forty years from October 1st, 1931, and calls for the delivery of 48,000 electrical horsepower from that date, and of a further 48,000 electrical horsepower from October 1st, 1932. Provision is made in the contract for the development jointly of additional power as the stream flow and other conditions permit, and that any such additional power will be purchased by the Commission on similar terms.

SECURITY FOR BONDS: Bonds will be secured by a first (closed) mortgage and hypothec on the water power rights, plant, dam and other fixed assets of the Company, a specific charge on its interest in the joint development agreement and on the 40-year contract for the sale of power, subject however to obligations on the part of the Company and of any purchaser under the Trust Deed to complete and maintain the undertaking and deliveries of power under and otherwise to comply with the said agreements; and a first floating charge on all other assets.

ESTIMATED EARNINGS: It is estimated that from delivery of 96,000 electrical horsepower contracted for by The Hydro-Electric Power Commission of Ontario, average annual net earnings, available for interest and reserves, will exceed $1,017,000, or more than twice the interest requirements of the First Mortgage Bonds. This does not include any revenue from the sale of surplus power which will be available from time to time, from which additional earnings are expected.

SINKING FUND: The Trust Deed will provide for an annual sinking fund, commencing October 1st, 1936, of $45,000 plus annual interest on bonds redeemed. It is estimated that this sinking fund will be sufficient to redeem approximately one-half of the bonds at par by maturity.

We offer these bonds for delivery if, as and when issued and received by us, and subject to approval by counsel of all proceedings, at—

95¼ and accrued interest, to yield over 5.80%

Royal Securities Corporation Limited
Nesbitt, Thomson & Company Limited

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

ADVISE AGAINST EXCHANGE OFFER NEON FOR RUDDY

Harley, Milner Claim Ruddy Preferred More Attractive to Hold

EARNINGS ARE SURE

Fear Proposed Debenture Issue Will Weaken Position of Neon Stock

Harley, Milner & Co., one of the firms which originally offered preferred shares of E. L. Ruddy Co. to the public, has addressed a circular letter to shareholders advising them not to accept the offer made to give in exchange for these shares Claude Neon General Advertising preferred and common shares.

J. R. Robertson, president of E. L. Ruddy Co., had advised shareholders to exchange their 7 per cent preferred shares with stock purchase warrants attached to shares of Claude Neon on the basis of one $115 par value preferred share (7 per cent) and one no par value common share of Claude Neon for each preferred share of Ruddy Co. Harley Milner & Co. disagrees with this advice.

The ostensible income with the new shares would be $8.05 per annum as compared with $7 on the E. L. Ruddy Co. shares and the Neon common stock also holds possibilities for the future. Harley Milner & Co., as large shareholders themselves, however, feel that the impressive earnings shown by Claude Neon for the seven months ending July 31, 1930, are too recent to bear comparison with the entrenched earnings situation of E. L. Ruddy Co. The Neon earnings were derived in great part from sales of Claude Neon displays, a comparatively new business.

Operates Half Century

"The E. L. Ruddy Co. business has been in successful operation for more than 50 years," continues the Harley, Milner letter, "as an indication of its consistent and increasing growth, we give below its earnings for the past five years available for debenture interest, depreciation, federal taxes, dividends, etc.

1925	$167,569.76
1926	201,814.78
1927	250,477.72
1928	273,884.98
1929	370,375.56

"In the comparative consolidated statement of Claude Neon which has been submitted to you, combined fixed assets including land, buildings, machinery, equipment, poster panels and painted bulletins, goodwill, franchises and patent rights, after deducting depreciation reserve, are shown at approximately $6,198,000, but there is no indication of the amount included for goodwill, franchises and patent rights.

"The tangible assets of the E. L. Ruddy Co., excluding goodwill, franchises, etc., have a value in excess of $2,000,000, and there are outstanding only $720,000 6½% debentures and $770,000 of 7% preferred stock. Based upon the price which we understand was paid for E. L. Ruddy Co., common stock by Claude Neon General Advertising, there is an indicated equity junior to your preferred shares of approximately $1,400,000.

Paid $1,400,000 For Ruddy Common

"We understand that it is proposed shortly to make a public issue of $2,000,000 or $2,500,000 Par Value Claude Neon General Advertising 6½% debentures, which would, of course, rank ahead of the preferred shares which you would receive in exchange for the E. L. Ruddy Co. preferred shares. It is presumed that these debentures are being issued in large part to fund the purchase price of E. L. Ruddy Co. common shares, for which we understand Claude Neon General Advertising paid approximately $1,400,000.

"Briefly, you are being asked to exchange your preferred stock and to give up your stock purchase warrant, accepting, in our opinion, a lesser degree of security, in lieu of which you are offered $15.00 par value in 7% preferred stock and one share of common stock.

"We ourselves are one of the largest preferred shareholders of the E. L. Ruddy Co. and it is not our intention to accept the offer because we do not consider it sufficiently attractive.

"The information that has been furnished us to date does not, we feel, warrant our recommending the exchange to you."

CONDUITS DIRECTORS TO CHANGE CAPITAL

Proposal to reorganize Conduits Co. is contained in a notification sent to shareholders of a special meeting on October 28. The proposed authorized capitalization of the new company is the same as at present with 2,500 shares of 7 per cent preferred stock of $100 par value each and 60,000 common shares of no par value. The new preferred however will be redeemable at 105 as against 110 for the present issue.

Holders of the common stock of record October 31 will be paid for each share the sum of $2.50 in cash, one share of the new common stock and 1-24 of a share of the new preferred. If this should work out fractionally, the company will adjust with a cash premium on the basis of the preferred being valued at $100. The company as at February 14, 1930, had 1,085 shares of preferred and 60,000 common shares outstanding.

Formed in 1900, Conduits Co. was publicly financed in 1927 and has earned preferred dividends by a large margin in each succeeding year. Originally, $250,000 of preferred was outstanding but this was reduced annually to $146,700 as at September 30, 1929. In the fiscal year ended on that date the common shares earned $2.68 each and dividends amounting to $1.25 were paid on the common shares. During 1930 dividends have been continued on the basis of $1 per annum and earnings are reported to have been maintained to nearly the 1929 level when the company showed a net profit of $175,006.

B.C. Bond Corp. Assigns; Book Debts Total $549,000

B. C. Bond Corp., the financial troubles of which became known a fortnight ago and which called an informal meeting of its creditors to discuss the situation, has made an assignment.

The amount of the assets cannot be determined until all of the securities have been marketed. Selling orders have been placed in New York, Montreal and on exchanges elsewhere.

There are book debts of $549,021, according to the bankruptcy petition.

F. E. Winslow, manager of the Victoria branch of the Royal Trust, has been named custodian. C. J. Prior, K.C. is enquiring into the company's affairs on behalf of the provincial attorney general.

Progress at Ruskin Project

The first unit of the British Columbia Electric Railway's new hydroelectric development at Ruskin is nearing completion and power will be switched on in October. This unit, one of four to be built, will deliver 47,000 h.p. of electrical energy.

Bennett Has Hard Task Forcing Action at London

Conference Meets With Wary Laborites in Power, With British Depression Acute and Public Opinion Changing But Slowly

By H. NAPIER MOORE

Editor, MacLean's Magazine and Special Representative of The Financial Post at the Imperial Conference

LONDON, (By Mail).—Mr. Bennett faces no easy task in London.

No Imperial Conference ever has met at a more critical time—a time of world-wide depression, of overproduction, of falling prices, of grave unemployment. Great Britain, spending almost a thousand dollars a minute to feed her workless millions, is sitting on a political bomb. Russia, by dumping and purchasing, is throwing monkey-wrenches into the economic machinery of Europe. There are reports of secret treaties between Italy and Germany which, aimed at France, may precipitate another war before many years pass. European governments are changing and will continue to change even more rapidly. The British Dominions, bursting with wheat they cannot sell, and faced with the problem of nursing industries catering to small markets, turn to a Mother Country which can eat only a portion of what they grow and which must temper her maternal sentiment lest she offend other countries to which she sells and in which she has tremendous investments.

On such a stage is the present Imperial Conference set. On such a stage a new Prime Minister of Canada has been compelled to make an entrance almost without time to "learn his lines." That, so situated, Mr. Bennett emerged within a week as contender with General Hertzog for the title of "iron man" of the conference, is no small tribute to his perception and ability. As soon as his reciprocal preference offer was made R. B. Bennett became the dominant figure in the inner circle which is meeting at 10 Downing Street.

Conference Not Welcome

People in intimate touch with British politics have told me that the MacDonald Government would have shed no tears if by some miracle the Imperial Conference could have been tactfully sidetracked. With the exception of those representing the Irish Free State, the ministers from the Dominions are here for one main purpose—to seek some form of trade reciprocity within the Empire. Mr. Scullin, on his arrival, lost no time in making that clear so far as Australia is concerned. He talked with such frankness and freeness to the press that the British Government hastened to suggest to him that it might be better if he said less outside the hallowed halls of Whitehall. Not that Mr. Scullin was silent at the first plenary session. He talked for thirty-five minutes, and he talked preferential tariffs with such vim that the next morning the Daily Herald, mouthpiece of the Labor Government, came out flatfootedly with the editorial warning that any suggestion for the setting up of a protectionist system in Britain would be unwelcome.

Unlike the other premiers, Mr. Bennett remained silent until he had sized things up in London. Absence of his name from the newspaper headlines bothered him not. The result was that he was not precipitated into the British political pot.

Government in Pickle

Internal British politics, in short, beshadowed the Empire round table at the outset. The British press and public looked for some concrete result from the Labor Government, and the Labor Government is in a pickle whatever that result may be. Its chief problem lies in the fact that the Imperial Conference has forced it to declare itself on the question of preferential tariffs, a subject pregnant with political danger.

Mr. Thomas and some of his colleagues are willing to take a chance. But Snowden and his supporters are grimly opposed to anything remotely affecting the freest of free imports, and they are sufficiently powerful to split the government and smash it if they choose. Torn two ways, Mr. Macdonald doesn't know what to do.

Baldwin in Disfavor

On the other side, Mr. Baldwin totters in the saddle. His disinclination to come boldly forth with a policy of protection of industry has dimmed the faith of those who once followed him. There is more than a possibility that Amery, Sir Robert Horne, or Neville Chamberlain will lead the Conservative forces at the next election.

Meanwhile, the Labor Government is hoping against hope that the Imperial Conference will not force its hand. Plans to dally over constitutional questions were knocked over by the speed with which the Dominion representatives got down to economic matters, and by Hertzog's unexpected rally round the Empire. About the only stalling alibi left to defer the consequences of a hand forced by the Imperial Conference is the India conference, planned (and not by accident) for November.

That, briefly, is the scene into which the Prime Ministers of the Dominions stepped. What are they likely to take home? To boil it down to Canadian interest, what is Mr. Bennett likely to take home?

Slow Job of Rebuilding

Before we go any further it should be perfectly understood that no Dominion Prime Minister, however adroit and skilful, however earnest he may be in behalf of his country's interest, can re-arrange a British economic structure that is the product of centuries of trading. It may need re-arranging, but the doing of it introduces a thousand factors which Britain considers her own business.

Britain, as always, is a trading nation. Unlike the United States, she is not self-contained. She must import wool and cotton and foodstuffs and she must sell her manufactured goods in order to pay for what she imports. Moreover, she can only buy what she can consume. That is all elementary, but it affects every Dominion, and it ofttimes is overlooked.

It affects Canadian wheat.

The biggest problem Mr. Bennett has is that of satisfying the appeal of Premier Bracken of Manitoba and of the West for a "trade agreement with Britain which would ensure markets for our surplus agricultural products." With him in London, all engaged in the same study, are A. J. McPhail, of the Wheat Pool; John McFarland and Professor W. W. Swanson, the Saskatchewan economist. J. C. Gage, probably the dominant figure in the private grain of Canada, is also here.

On the day they arrived in London, 50,000 tons of Russian wheat was being dumped at Hull and the Russian agents were boasting that they had a free commission to sell at one shilling a quarter less than the lowest price quoted for Empire or home-grown grain. Because of Russian wheat, East Anglia farmers are letting their crops lie and discharging their hands. France, on October 3, blacklisted Soviet wheat. Britain admits it. A prominent importer of Canadian wheat states that he has been compelled to buy Russian grain because the millers are looking for the cheapest they can get. And so Canadian grain goes under in competition with Soviet wheat produced by forced labor under virtual slavery.

Russia Buys From Britain

Why doesn't Britain stop it? Because, with British credits, Russia is buying heavily of coal-cutting machinery, electrical machinery, plant equipment and ships. On Clydebank, the C. P. R. is blessed because of the work its new ships are giving to shipyard employees. And so is Russia for the same reason.

Why is Britain buying 18,000,000 cwt. of wheat a year from Argentina? Because her investments there are colossal; because Argentina may be persuaded to divert more of her trade from the United States to the United Kingdom. Why is she buying 30,000,000 cwt of United States wheat? Trade—and price.

Remember that Britain gets one third of her food supply from within the Empire, and that she is not dependent at present upon the Dominions to anything like the extent the Dominions are dependent on her as a market for their exports; remember that she cannot possibly consume all that Canada alone grows—she buys but twenty-three per cent of our wheat exports and you have but another complication when it comes to a suggestion of a preferential tariff favoring Empire wheat.

Canadian wheat experts cannot see the value of a Wheat Import Board. Stabilization of prices can be troublesome during periods when gold price levels are falling and ineffective when applied to commodities produced in surplus over United Kingdom requirements.

Nor can one see clearly, at this date, how a preferential tariff can be satisfactorily arranged, so far as wheat is concerned. Food taxation, even while it may not affect the British workman to the extent of a quarter of a farthing per loaf, is a political battle-cry that is still potent. It would not solve surplus production problems. And it would not be given without reciprocal advances by the Dominions favorable to British industry.

Industry Is Depressed

As it is, British industry itself is in no easy position. Cotton manufacturers are closing down mills—unable to compete against foreign competition. Russia is selling heavily in the Balkans, Turkey and other lands. The Manchester imprint is disappearing in the face of fifteen months' credits, and longer, engineered by the Soviet.

British textile workers are out of work, and British retailers are selling Japanese, Belgian, Italian and Czechoslovakia textiles in their shops.

Continental steel is being turned into chain and bridges on the Clyde while Scottish steel mills are shut down. The manufacturers state frankly that to use British steel would so add to their price as to eliminate them from world markets in competition with the United States.

So it is in other lines. Canada's custom laws relative to the percentage of British labor and material hit the Britisher as well as the Czech or the Russian. And where to draw the line is no mean puzzle.

Higher wages, taxation, transport charges—all place the British manufacturer at a disadvantage in foreign trade. His eyes turn to overseas Dominions which are encouraging their own industries and taxing his goods, and, behind his back at home, his fellow countrymen are buying foreign goods because they are cheaper.

That is the man to whom Mr. Bennett has to talk. The Times has suggested that they may be able to evolve a sort of quota system, whereunder a limited number of imports from the United Kingdom would be granted an increased Canadian preference in return for co-operation in the up-building of Canadian industry at home. British manufacturers would have to guarantee efficient and modern production, in itself a help to rationalization in Britain.

Say Canada Plays With States

It is no easy task that Mr. Bennett faces. Against him is a propaganda of doubt. There are those who read of Canada raising a one hundred million dollar bond issue in New York and who, without bothering to analyze the respective money market conditions, conclude that Canada wants to play with the United States. There are textile and other manufacturers who are convinced that a protected Canadian industry is an unfair discrimination against them. There are those who claim that in applying his customs act, Canada has dealt harshly with those products containing a percentage of foreign labor or material. There are others who point to cancelled orders, to certain bad debts. And there are the disgruntled shareholders of the Grand Trunk, who ignore privy council decisions and say: "All I know is that I have lost my money."

All these are factors to be met with and answered. In Mr. Bennett's favor are the impressions he has made by his public utterances, an amazing faculty for absorbing information quickly; a business-like ability to get things moving, and a determination not to be stampeded.

The Imperial Conference undoubtedly will give birth to an Empire Secretariat, designed to co-ordinate empire information and make it available throughout the British commonwealth. It will establish an Empire tribunal for the hearing of controversies of a constitutional nature. It will accomplish a number of other things of technical value to agriculture and business. It may settle the question as to whether or not the Dominions may have native-born governors-general, concerning which there is a sharp division of opinion between the Crown and Australia.

It may be the means of upsetting the Labor Government.

It may be the making of R. B. Bennett as a great empire statesman. If not, and he returns to Canada with no economic accomplishment to his credit, it may be taken for granted that no man could have done any better.

B.C. Telephone Takes Over Powell River Co.'s Service

The B. C. Telephone Company will take over and operate the telephone system at Powell River.

Following transfer of the system, the B. C Telephone Co. will lay a cable under the Gulf of Georgia from Powell River to Cape Lazo, replacing the present radio-telephone circuit in operation between the two points.

At the present time an automatic dial telephone system is being operated at Powell River by the Powell River Company Ltd., owners of the pulp and paper mill there. The B. C. Telephone Company will erect a new telephone building and will remodel and improve the existing system, the work to commence almost immediately.

For some months Powell River has been receiving long-distance telephone connection by means of an experimental radio-telephone link connecting that community with the end of the B. C. Telephone lines at Campbell River, on Vancouver Island.

NATIONAL GROCER FIRST PREFERRED MAY BE CALLED

Trade Paper Tells Story of Fight For Control of Wholesale Concern

National Grocers Co. first preferred may be redeemed in January, according to Canadian Grocer, which sees considerable significance in the quoted price of the second preferred, from $75 to $80, whereas this issue, which never has paid a dividend, could have been obtained around $40 a month ago.

National Grocers is in strong cash position and, not only is the first preferred likely to be redeemed, but it is believed that the company will be able to pay off its gold notes which are due in 1932.

Advices from Chicago in connection with the change in control of National Grocers Co., wholesale grocers, with headquarters in Toronto, give further news of the interesting battle among the various factions for supremacy says Canadian Grocer. There were evidently three different groups trying to secure a strangle-hold on the common stock at one time. This is the only voting stock in the company's financial structure and whichever party secured more than 50 per cent would necessarily hold the winning hand.

How Chicago Stock Was Secured

The W. W. Thompson Co. of Chicago were the owners of some 36,000 shares of common stock given them as part payment for the work done by J. Frank Grimes in securing inventories and for organization work prior to the completion of the National merger in 1925. This stock represented a substantial percentage in a total of some 300,000 shares and naturally all parties working for control were endeavoring to get it. Finally, this stock was taken over by A. Marland Woolnough, who was responsible for securing the options from the various Ontario wholesalers in 1925 and which made possible the amalgamation at that time. Chicago reports that Mr. Woolnough spent a great deal of time there and that if it had not been for his tenacity, control of the company would not have been vested among the Canadian shareholders at the present time.

It is also stated that Mr. Woolnough's own block of common stock was being sought by the other interests, that he could have disposed of it for a substantial sum and that if he had done so, control would have been in different hands today.

Finally, Mr. Woolnough succeeded in securing the Chicago block and then arranged with some of the Toronto officials and shareholders of the company to get several Ontario holders of common stock to place theirs in a pool. When this stage was reached the services of J. R. Peters, then president of the company, were dispensed with and Archie Foster was named president and general manager. At the annual meeting, Mr. Foster's appointment was definitely confirmed, John Medland was named vice-president and assistant general manager and a new board of directors elected, as already reported in Canadian Grocer. The voting power is now vested in Mr. Woolnough who, it is understood, owns and controls more than half the common stock of the pool through his large holdings together with the Chicago purchase. He is also chairman of the board.

Second Preference More Valuable

The Continental Bank in Chicago holds the gold notes of the company and these have to be redeemed by 1932. These gold notes have the first claim on earnings. The public in general owns most of the first preference stock on which a dividend of 8 per cent has been paid ever since the company was organized. Inasmuch as the company's cash position is reported to be exceedingly strong, it is deemed advisable, as intimated in a previous issue, to retire the outstanding first preference stock. This is talked of being effected on or before January 10. This would then place the second preferred at the top from a dividend standpoint and the common next. It is further reported that bids for the second preferred stock are running as high as $75 to $80 per share whereas a month or two ago it could have been bought at around $40. Price of the common stock has also appreciated from a market standpoint, since, if the above changes in the financial structure take place, it will be placed that much closer to the dividend stage.

Large Programme Ahead Of Implement Makers

Volume in 1930 is Half That of 1928 — Improvement is Expected in 1931 — Must Displace Imports

Because importers of farm machinery and Canadian manufacturers alike have heavy inventories of completed goods to sell, it will be 1931 before Canadian companies can be expected to reap any material benefit from the protection afforded the industry as a result of the September unemployment session of Parliament. That is the real reason, coupled with expected low earnings reports for 1930, why Massey Harris is still selling at about 13¼, Cockshutt Plow at 13 and Waterloo Manufacturing at 11½.

Taking the long view, the industry's position is much better than the low purchasing power of the farmer would seem to indicate. The Financial Post is informed by a man close to the industry that there has been a steady decrease for the last three years in purchases of farm machinery, but the importations have been so large that in his opinion the domestic companies under protection should be able entirely to recover their ground in the next few years. He submits the following statistics as his summary of the situation for three years and the probable situation next year:

Production of Farm Machinery

	1928 $	1929 $	1930 $	(est.) 1931
Imported	40,000,000	33,000,000	20,000,000	(a)
Made in Can.	15,000,000	12,000,000	7,000,000	(a)
Total	55,000,000	45,000,000	27,000,000	29,700,000

(a)—It is entirely up to the Canadian companies how much of the $29,700,000 expected they capture. If they only get a little more than half of the business they will still be ahead of their banner year in 1928.

Estimates are notoriously untrustworthy in times such as these but they, nevertheless, give an idea of the immensely more favorable position created by the new duties. The question of credit for the farmer to purchase the new machinery is a greater difficulty than any, and much will depend on what happens to the price of farm products between now and next spring. It is likely that small farmers will mend old machinery and make it do for another and possibly a few more seasons.

Large farmers must have their costs low if they are to continue as grain-growers at present levels. They will have to get the machinery, therefore, when they are able to finance the purchase. It is expected that large-scale arrangements for financing such purchases may be in force by next spring to aid agencies already operating.

Dominion Canners Plant Busy

The cannery operated at Oliver by the Dominion Canners is working to capacity on tomatoes and is reported to have completed, recently, a pack of 1,185 cases in one day. The cantaloupe movement from the same district is still quite brisk and in large volume.

Starr Manufacturing Co. Sales Showed Increase

Sales of Starr Manufacturing Co. for the year ended March 1, 1930, totalled $348,650 as compared with $317,525 in the previous year. Sales of skates were down to $220,927 from $222,267 while sales of bolts, nuts, spikes, bar iron, etc., rose to $127,723 from $95,258. Interest requirements on both the first mortgage and general mortgage bond issues which represent the only public interest in the company is reported to have been met regularly.

At the end of the last fiscal year ended March 31, 1930, the company reported total assets of $1,172,563 of which $378,022 was current. Current liabilities amounted to $235,527 which gave the company a working capital of $142,495. Ratio of current assets to current liabilities was 2.02 to 1 as compared with 1.60 to 1 in the previous year.

Fixed assets were carried at $754,313 after depreciation while patents, goodwill and trademarks are shown at $33,730. In addition to current liabilities there was outstanding $300,000 6 per cent first mortgage bonds and $125,000 6½ per cent general mortgage bonds. There were 6,470 shares of no par value common stock which with surplus were carried at $512,036.

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OPENING THE TREASURE CHEST OF CANADA

Climate and Population

IS CANADA'S climate an insuperable barrier to the building up of a population commensurate with its territory and limitless resources?

The recent rapid development of many Canadian communities answers this question in an emphatic negative.

The white race flourishes in the temperate zone, but in every part of the temperate zone winter is winter. It is not the winter climate that hinders expansion, and from the International Boundary to the Arctic Circle, no country has a finer summer climate than Canada.

What delayed the Province of Quebec, for instance, so long in building up a prosperous industrial fabric upon the firm foundation of its agricultural communities was not climate, but the fact that its resources include not an ounce of coal. Coal for power is lacking, but water power is here in abundance, and now that science has made it possible for Canada to utilize water power, manufacturing industries are rapidly multiplying in Quebec Province, and providing many new sources of prosperity and employment. The one thing missing has been supplied.

In the industrial development of the Province of Quebec The Shawinigan Water and Power Company has taken, and is taking, a leading part. The energy it supplies from water powers that formerly ran waste to the sea is already the life blood of hundreds of prosperous communities.

DO YOU KNOW that the Quebec Power Company, a subsidiary of The Shawinigan Water and Power Company, is the sole distributor of electric energy for lighting and power in Quebec and surrounding industrial district; that it operates the street railway system of Quebec and an interurban railroad from Quebec to Ste. Anne de Beaupré; and that it also supplies gas service in the City of Quebec?

The SHAWINIGAN WATER AND POWER COMPANY

SW7

DIVIDEND NOTICES

General Steel Wares Limited

Montreal, Oct. 15, 1930.

Preferred Stock Dividend No. 12

A Dividend of 1¾% upon the 7% Cumulative Redeemable Preferred Stock of the Company, for the three months ending October 31st, 1930, will be paid November 1st, 1930, to Shareholders of record at the close of business October 15th, 1930.

(Sgd.) D. W. DICKSON.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 1¾ per cent on the Preferred Stock of the Company for the three months ending November 30th, 1930, be declared payable on Monday, December 1st, 1930, to shareholders of record at the close of business on Saturday, November 15th, 1930.

By Order of the Board.
M. H. HUTCHISON,
Secretary.

Notice is hereby given that a Dividend of 80c per share on the Common Stock (of no nominal or par value) of the Company for the three months ending November 30th, 1930, be declared payable on Monday, December 1st, 1930, to shareholders of record at the close of business on Saturday, November 15th, 1930.

By Order of the Board.
M. H. HUTCHISON,
Secretary.

DISTILLERS CORPORATION-SEAGRAMS LIMITED

DIVIDEND No. 6

Notice is hereby given that a Dividend of 25c per share on the outstanding Capital Stock of this Company has been declared for the current quarter, payable on November 15th to Shareholders of record at the close of business on the 25th of October, 1930.

The Transfer Books will be closed from the close of business on 25th October, 1930, until after the Annual Shareholders' Meeting called for October 30th, 1930.

By Order of the Board,
ALLAN BRONFMAN,
Secretary.

Montreal, October 15th, 1930.

Consolidated Sand and Gravel Ltd.

PREFERRED DIVIDEND No. 10

Notice is hereby given that a dividend of $1.75 (being at the rate of $7.00 per annum) per share, has been declared on the Preference Shares of Consolidated Sand & Gravel Limited, for the period ending November 15th, 1930, payable November 15th, 1930, to shareholders of record at the close of business October 31st, 1930.

By order of the Board.
A. M. HARNWELL,
Secretary.

Toronto, Ontario, October 20th, 1930.

Standard Paving & Materials Limited

PREFERRED DIVIDEND NO. 7

Notice is hereby given that the regular dividend of $1.75 (being at the rate of $7.00 per annum) per share, has been declared on the Cumulative, Convertible, Redeemable, Preferred shares of Standard Paving & Materials Limited, for the period ending October 31st, 1930, payable November 15th, 1930, to shareholders of record at the close of business October 31st, 1930.

By Order of the Board,
N. C. SHIPMAN,
Secretary.

Toronto, Ontario, October 20th, 1930.

Standard Paving & Materials Limited

COMMON STOCK DIVIDEND NO. 7

Notice is hereby given that a dividend of fifty cents (being at the rate of $2.00 per annum) per share has been declared on the issued No Par Value Common Stock of Standard Paving and Materials Limited, for the period ending October 31st, 1930, payable November 15th, 1930, to shareholders of record at the close of business October 31st, 1930.

By Order of the Board,
N. C. SHIPMAN,
Secretary.

Toronto, Ontario, October 20th, 1930.

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of the Dominion of Canada)

STOCK DIVIDEND

Notice is hereby given that the Board of Directors of this Company has declared a stock dividend on the Company's ordinary shares of no par value, at the rate of one fully paid share for each fifty fully paid shares held by shareholders of record on the registers at the close of business on 31st October, 1930. The shares comprising such stock dividend will rank for dividend as from 1st December, 1930, but no dividend will be paid in respect of a fractional part of a share. When such fractions are converted into whole shares the latter will then rank for all dividends payable after the date of such conversion. Definitive certificates and/or fractional certificates will be forwarded to shareholders on or about 1st December, 1930.

Holders of fractions can either sell the same or purchase sufficient additional fractions to make up a whole share, and should arrange for such adjustments through their bankers or brokers as soon as possible after receipt of the fractional certificates. Where necessary fractional certificates may be split into smaller denominations and to facilitate distribution whole shares may be split into fractions but no splits of whole shares will be allowed after 31st January, 1931. Applications for splits must be made to the Company's transfer agent, National Trust Company, Limited, Toronto or Montreal, but for the convenience of European shareholders applications may be sent through the London agents of the Company under conditions particulars of which may be obtained from the agents. Fractions arising under the above stock dividend cannot be combined with fractional certificates of the Company at present outstanding.

By order of the Board.
A. W. ADAMS,
Secretary.

Dated at Toronto, Canada,
this 13th day of October, 1930.

DIVIDEND NOTICES

Frost Steel and Wire Company Limited

FIRST PREFERENCE DIVIDEND

Notice is hereby given that the Quarterly Dividend of 1¾% on the 7% Cumulative Redeemable Sinking Fund First Preference Shares was declared for the quarter ending October 31st, 1930, payable November 1st, 1930, to shareholders of record at the close of business October 22nd, 1930.

By order of the Board.
CHAS. A. SMITH,
Secretary.

Hamilton, Ont., October 20th, 1930.

CLASS "A" PREFERENCE DIVIDEND

Notice is hereby given that the Quarterly Dividend of 1¾% on the 7% Class "A" Cumulative Redeemable Participating Preference Shares was declared for the quarter ending October 31st, 1930, payable November 1st, 1930, to shareholders of record at the close of business October 22nd, 1930.

By order of the Board.
CHAS. A. SMITH,
Secretary.

Hamilton, Ont., October 20th, 1930.

GEORGE WESTON, LIMITED

Preferred Dividend Number 11

NOTICE is hereby given that a dividend of one and three-quarters per cent for the three months ending 31st October, 1930 (being at the rate of Seven per cent per annum) has been declared on the 7% Cumulative Redeemable Preference Shares of the Company, and will be payable on and after November 1st, 1930, to the Preferred Shareholders of record at the close of business on the 20th day of October, 1930.

CHARLES W. KERR.
Secretary.

Toronto, 17th October, 1930.

Hamilton Bridge Company, Limited

NOTICE OF PREFERRED STOCK DIVIDEND & COMMON STOCK DIVIDEND

Notice is hereby given that a dividend of 1⅝% has been declared on the outstanding 6½% CUMULATIVE FIRST PREFERRED STOCK of Hamilton Bridge Company, Limited, for quarter ending October 31st, 1930, payable the 1st day of November, 1930, to shareholders of record as at the close of business on the 22nd day of October, 1930.

Also that a dividend of 50 cents per share has been declared on the outstanding COMMON NO PAR VALUE STOCK of Hamilton Bridge Company, Limited, for quarter ending October 31st, 1930, payable the 1st day of November, 1930, to Shareholders of record as at the close of business on the 22nd day of October, 1930.

By Order of the Board.
F. G. WILSON,
Secretary.

DOMINION BRIDGE COMPANY LIMITED

DIVIDEND NOTICE

A Dividend of NINETY CENTS (90c) per Share has been declared on the No Par Value Shares of this Company for the Quarter ending 31st October, 1930, payable 15th November, 1930, to Shareholders of record at the close of business on the 31st October, 1930.

By Order of the Board.
F. W. EVENS,
Secretary.

Montreal, Que., 21st October, 1930.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 22

A DIVIDEND of Twenty-Five Cents (25c) per share, being at the rate of $1.00 per annum, on the NO PAR VALUE COMMON STOCK OF SOUTHERN CANADA POWER COMPANY, LIMITED, has been declared for the three months ending October 31st, 1930, payable November 15th, 1930, to shareholders of record October 31st, 1930.

By order of the Board,
L. C. HASKELL,
Secretary.

Montreal, September 26th, 1930.

NOTICE OF DIVIDEND

WOOD, ALEXANDER & JAMES, LIMITED

Notice is hereby given that the regular quarterly dividend of 1¾% on the First Preference Shares of this Company has been declared for the quarter ending 31st October, 1930, payable 1st November to shareholders of record 20th October, 1930.

By Order of the Board.
W. J. CUNNINGHAM,
Secretary.

Hamilton, 16th, October, 1930.

The Royal Bank of Canada

DIVIDEND No. 173 AND BONUS

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, also a bonus of two per cent for the year ending November 29, 1930, and that the same will be payable at the bank and its branches on and after Monday, the first day of December next, to shareholders of record at the close of business on the 31st day of October.

By order of the Board.
M. W. WILSON,
General Manager.

Montreal, Que., October 14, 1930.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter. A BONUS of TWO per cent. has also been declared for the year ending 31st OCTOBER, 1930, both payable on and after MONDAY, the FIRST day of DECEMBER next, to Shareholders of record at close of business on the 31st October, 1930.

The Annual General Meeting of the Shareholders will be held at the Banking House of the Institution on MONDAY, the FIRST day of DECEMBER next.

The Chair to be taken at noon.

By Order of the Board,
W. A. BOG, General Manager — JACKSON DODDS, General Manager

Montreal, 17th October, 1930.

Argentine Delegation in Quebec

A deputation from the Argentine Chamber of Commerce will be passing through Quebec, October 17, when an official reception by the Council of the Board will be arranged.

RADIO FIRMS RIDING OUT DEPRESSION

Canadian Manufacturers Report Business Better Than Ever

SELL MORE FOR LESS

Investigation by Combines Official Will Test Constitutionality of Patents Pool

Opening of a radio show at Royal York Hotel, Toronto, emphasizes the fact that here is one industry which in Canada is advancing its production rather than taking a backward step in 1930. Stocks of Canadian companies such as De Forest Crosley Radio Co., Canadian Marconi Co., which are listed, Rogers-Majestic Corp., in which is a large investment interest among Canadians, have not reflected this situation to a marked degree but in the prevailing stock market gloom it takes about ten times as much good news to move the market as it did 14 months ago when markets moved up all too easily.

General Electric and Westinghouse exhibits are also prominent at the show, and Canadian General Electric Co. and Canadian Westinghouse are pushing these radios in Canada. In both these cases, however, radios are only one of many profitable outlets for the manufacturing genius of the companies.

De Forest Hits High Mark

De Forest Crosley came into 1930 with a larger and better equipped plant than before, has been able to utilize productive facilities to capacity, has had a heavier advertising campaign than in any other year, and therefore has had so far the larger sales in the company's experience so far this year. The company expected only nominal progress over 1929 but every effort was made to combine the greatest value with the lowest prices possible and the public responded. The stock of the company has had in 1930 a high of 12½ and a low of 8, the closing price Monday being 9. The dividend is on an 80-cents basis and the yield at this price is therefore 8.89 per cent.

Rogers-Majestic Surpasses Hopes

Rogers-Majestic Corp. has not yet listed its Classes "A" and "B" stock. The Class "A" stock was sold at $30 a share in October, 1929. Unlisted security dealers quote the stock now at "13 bid, 17 asked," and yet the company is more than meeting all the expectations of those who issued the stock a year ago. In August retail value of sales was $750,000 and in September $996,000 and there are unfilled orders on hand for 500 sets. This company had also planned production to be on much the same level as in 1929 but by reason of superior quality of product and lower prices the demand has grown beyond what was expected.

When the first Rogers was produced in 1925, according to B. A. Trestrail, vice-president in charge of distribution for the Rogers-Majestic Corp., the season started in September and lasted to February. Now May and June give barely time to get ready for the season, and the greatest increase in the rate of sales has been coming in what were formerly "off" months. August sales alone are almost equal to the entire sales of 1925-6, and the total volume in 1930-31 will be ten times the 1925 output.

The company has in its new plant on the Toronto waterfront one of the largest in the British Empire. The company claims to sell one-sixth of the radio sets sold in Canada, and this year expects to have a shortage of sets to fill the demand almost up to Christmas.

Canadian Marconi is Busy

Although it is not believed that there is any justification in current earnings of Canadian Marconi Co. for the recent market excitement originating in New York City, there is no doubt that the commencement of operations in the company's new radio set manufacturing plant at Mount Royal, just outside of Montreal, is drawing interested attention. The Financial Post is informed that there is no change of moment in the earning position of the company. The property where the new plant has been erected has an area of three acres and the plant a floor space of 45,000 square feet. The old plant had built up a substantial business in radio sets and accessories but the facilities had become inadequate.

Marconi's wireless engineers have this year placed on the market five new Marconi radio receivers built especially to meet the demands of radio listeners in Canada. It is the oldest radio manufacturing company in Canada, and the new models register an advance in tone, appearance and sensitive selectivity. Canadian Marconi stock has had a high of 9⅛ and a low of 2⅞ in 1930, showing the fluctuations in the hopes of traders while the company itself has gone on in steady operating performance. New York Curb sales now run at 3. Business was somewhat low before the new models came out but business now is believed to be going ahead well. As common stock earned only 3 cents a share last year great interest will not attach to the stock in Canada until earnings get to a much higher figure. Common stock control is solidly in Canada.

Testing Out Patent Pool

Investigation under the Combines Investigation Act is now being made by F. A. McGregor, of Ottawa, on the complaint of C. R. Gilpin, Niagara Falls, alleging that a combine has existed since January, 1927, on the part of Canadian General Electric Co., Canadian Westinghouse Co., Canadian Marconi Co., Northern Electric Co., Western Electric Co., Inc., Rogers-Majestic Corp. and Canadian Patents, Ltd. It will be some months before a report is ready. This is parallel to an investigation invited in the United States by General Electric, Westinghouse, Radio Corp., and other companies, who desire to test the constitutionality of their plans for pooling patents and inventions for the common use of the industry. Canadian Patents has been acting in much the same capacity in Canada but all other manufacturers than those mentioned can avail themselves of patents held by paying royalties to Canadian Patents.

At the commencement of this year the radio manufacturing business in the United States faced a situation of utter demoralization as a result of over-production, and new inventions which rendered obsolete a large proportion of manufactured sets. Bankruptcies were numerous, more than half of the industry becoming insolvent. In Canada a more sober programme prevented any such debacle and companies have been able to present to the Canadian public entirely new sets embodying all modern features, having better appearance and a greater attraction in price. Thus the depression has not stopped what would in ordinary circumstances have been considered an industry likely to have its best sales in good times.

Bruce Appointment To London Denied

Recently Dr. Herbert A. Bruce, Toronto, sold his Toronto estate and made a hurried visit to London. That started rumors.

Then at the annual dinner of the Canadian Chamber of Commerce, Col. J. H. Woods, chairman, introduced one of the guests as the person who had bought the home of Dr. Bruce, "the gentleman who is going to London instead of me." Since Col. Woods himself had been mentioned for High Commissioner to London this seemed to suggest some knowledge on his part of Dr. Bruce's appointment.

This week The Financial Post received a cable from London stating that Dr. Bruce's appointment was denied on the highest authority.

FEDERAL GRAIN REPORTS DEFICIT FOR FIRST YEAR

Had Loss of $383,556 Before Provision for Depreciation

Federal Grain Ltd. reports a deficit of $383,556 before depreciation for its first fiscal year ended July 31, 1930. Net earnings from operations were $66,443 while bond interest requirements amounted to $255,000 and preferred dividends to $195,000. A debenture issue has recently been created to the amount of $1,000,000 and pledged to the company's bankers as additional security for crop advances and the directors wish to transfer $750,000 of the surpluses of constituent company's to surplus account of Federal Grain Ltd.

The balance sheet shows cash of $18,243, accounts and advances $1,262,676, advances to officers of the company (secured) $12,354, employees $15,007, and prepaid expenses $32,914; grain $60,032, and loans on elevators secured by mortgages $70,128. There is also an item of $192,924 owing to Federal Grain by another company, and a note stating that negotiations are in progress for the settlement of this account by taking over the debtor company. Stocks and bonds are shown at $262,597, membership at $207,900, properties at $8,166,262 and organization expenses at $84,768.

No Depreciation Reserve

Liabilities consist of bank loans and overdraft of $851,557, miscellaneous $667,808, first mortgage sinking fund gold bonds outstanding $4,250,000; 30,000 preferred shares $3,000,000, and 200,000 common shares included at $1,250,000. Other liabilities amount to $17,527 and a surplus of $366,443 is shown. This latter is made up, however, by an amount to be drawn, as stated in the directors' report, from the original constituent companies, placed at $750,000, adding thereto the operating profit of $66,443, and deducting bond and preferred dividend interest of $450,000.

The auditor's report points out that in the statement no allowance has been made for depreciation and that the apportionment of the consideration received for no par value stock as between ($1,250,000) and surplus ($750,000) has been made by by-law of the directors, but does not become fully effective until supplementary letters patent are obtained.

Issues Debenture

"At the time of the amalgamation of the various constituent companies of Federal Grain Limited, considerable surplus accounts existed. Application is now being made under the provisions of the Companies Act for supplementary letters patent confirming a by-law transferring to surplus account $750,000 of such surpluses of the original constituent companies.

"A debenture issue of $1,000,000 has been created recently and pledged to the company's bankers as additional security for current crop advances.

"The period under review has been a difficult one. Small crops, lack of demand for Canadian grains, and declining markets contributed to operating difficulties. Failure, however, of the former management to sell grains as purchased was also a substantial factor in the disappointing results of the year's operations."

It is also pointed out that subsequent to the close of the year's operations, James Stewart resigned as chairman of the board of directors and as a director and that the resignations of C. A. Michael as general manager and F. W. Riddell as director of the company were also accepted.

To fill these vacancies, A. Thomson, former president of the Winnipeg Grain Exchange, W. A. Anderson and J. R. Murray were appointed.

Jam. Public Service May Issue Stock Dividends

From Our Own Correspondent

MONTREAL.—Jamaica Public Service Ltd., has been granted permission, according to the Canada Gazette, to issue dividends on its capital stock in cash or additional amounts of capital stock.

It is understood that the management has no intention of exercising this privilege in the near future. The common stock of Jamaica Public Service Ltd., was placed on a dividend basis in October, 1930, by the declaration of a dividend of 25 cents a share.

The company has carried out considerable expansion in the past year, which has not yet been fully reflected in net earnings. In July and August of 1930, surplus after charges showed decreases of 19.65 per cent and 7.52 per cent respectively, as compared with the same months in 1929.

Dividend Notices

McIntyre Porcupine Mines, Limited

(No Personal Liability)

DIVIDEND NO. 48

Notice is hereby given that a dividend of five per cent (5%) on the issued Capital Stock of the Company will be paid on the 1st day of December, 1930, to shareholders of record at the close of business on November 1, 1930.

By Order of the Board.
BALMER NEILLY,
Treasurer.

Dated at Toronto, October 16, 1930.

EUROPE STILL IS DOMINATING WHEAT PRICES

Otherwise Unfavorable Crop Factors Would Influence Price

From Our Own Correspondent

WINNIPEG. — Although the improvement in prices has been comparatively slight, the tone of the wheat market appears to be somewhat stronger in the last few days.

One reason appears to be that the world has become used to the idea of Russia shipping considerable quantities, and while such supplies are undoubtedly an important depressing influence, the fact that they must be of limited extent this year is beginning to be realized. Russia has also showed an inclination to advance her offering prices at the same time as the British market is beginning to complain that Russian supplies are to some extent lacking in quality.

Europe Still Dominates

But the centre of market influence is still in Great Britain and in Europe, with local conditions in Canada playing a comparatively small part.

Otherwise the fact that a large part of the crop of Northern Alberta and Northern Saskatchewan is still in the stook, and the stooks deeply buried in snow, with a fair chance of its having to remain in the fields through the winter, would have had more effect. So, too, would the steadily improving statistical Canadian position as compared with last year, as the larger exports of this year are reflected in smaller visible stocks.

World Shipments Decline

World shipments of wheat have declined to some extent in volume, but their continuance at more than 15,000,000 bushels weekly gives promise of an international trade considerably increased over that of last year. Canada continues to supply a larger quantity weekly than any other country. United States prices on most grades remain well above the Canadian level, preventing very serious competition from that source in British and European markets. But the United States flour trade, in which there have been few price fluctuations, seems to have suffered comparatively little, and accounts for the equivalent of about a million bushels weekly in export trade.

Some slight narrowing in the spread between October and May wheat prices may be taken as indicating a little more strength in the market.

Deliveries of coarse grains by farmers have been reduced to very low levels, and the supply of oats is low enough to make such demand as exists for them seems comparatively urgent.

But supplies of barley and rye are still far in excess of any requirements in sight, and in spite of the large export surplus, export markets are completely lacking.

More Interest Needed

Grain markets both here and in the United States would be better for more speculative interest, but traders are nervous because of the many factors, some of them political, which have to be taken into account, in addition to usual influences affecting prices. The market is slightly less susceptible than a few weeks ago to stock market influences.

H. T. FERRISS IS NEW I. B. A. A. PRESIDENT

New Orleans Convention Proceedings Are Published

Addressing the nineteenth annual convention of the Investment Bankers' Association of America held in New Orleans last week, Trowbridge Callaway, president, stated that "Business does not need artificial respiration. The wealth producing power of the country has not been essentially hurt. The credit structure is sound with low interest rates and ample funds. Savings are increasing and prices for high grade bonds improving. Our leading industries are in a sound financial and operating condition."

With preliminary meetings of committees on October 12 and regular sessions on October 13 to 15, the convention covered a large amount of business in shorter time than usual. The conventions have formerly extended for six days. Some 600 delegates were in attendance which is considered a comparatively small attendance.

Henry T. Ferriss of the First National Co., St. Louis, was elected president for the ensuing year with Alden H. Little as executive vice-president; W. T. Bacon, treasurer, and C. L. Felske, secretary. Complete uncorrected transcript of the business and reports of committees presented during the sessions has been issued in four mimeographed sections for the convenience of members. The annual proceedings of the association will be published within the next three months.

Anglo-Newfoundland to Install New Machine

From Our Own Correspondent

MONTREAL. — Anglo-Newfoundland Development Co. is reported to be planning installation of another newsprint machine at its Grand Falls plant. The present capacity is 375 tons daily; addition of another 150-ton machine will bring output up to 520 tons a day.

The company is completing erection of a steam plant using pulverized coal for the development of 5,000 h.p. Increased power production will take care of greater demands which may be made by installation of another newsprint machine.

Newsprint production in Newfoundland continues to be maintained at a high rate. In September, Newfoundland mills operated at over 103 per cent of capacity. While output of other North American mills are showing decreases in production, Newfoundland mills recorded an increase of 14 per cent in output for the first nine months of 1930 as compared with the same period in the previous year.

Anglo-Newfoundland Development Co. mill was originally built by the Harmsworth interests of Great Britain, as a source of supply of newsprint for their papers. Newsprint is still shipped to England.

Alexander Gold Continues Development B. C. Claim

Alexander Gold mines is continuing the development of its property in the Phillips Arm, B.C., according to official advice.

Operations are directed at drifting on the vein from the bottom of the 100 ft. shaft. About 125 ft. of drifting has been done and a short crosscut has been made from each side of the drift. Pumping and mining equipment has been installed to carry out the new work.

Montmorency Mill Works on Day and Night Shift

From Our Own Correspondent

MONTREAL.—The Montmorency mill of Dominion Textile Co. is operating at full time during the day and about 50 per cent at night, according to official reports. This compares with a rate of operations of about 50 per cent of capacity six weeks ago.

Operations at all the mills of Dominion Textile Co. have been speeded up recently and employment has been given to about 1,200 additional workers.

Bright Outlook Seen In Copper Situation

Chairman of Big Rhodesian Property Says Known World Supply Sufficient Only For Next Twenty Years

"In a time like this when there is a world-wide depression and when the price of commodities is considerably below the actual cost of production, it is necessary to take a long view and not be confused by existing prices," stated A. Chester Beatty, chairman of the board of the Rhodesian Selection Trust at the annual meeting held in London on October 2.

Further commenting on the present situation Mr. Beatty said that:

Copper at the present time is about £47 per ton and is selling below production cost of more than half the world's mines. There are several reasons why such a condition may continue much longer than is at first apparent. In the first place, such a drop in price as we have just had must be the result of both over-production and over-buying. The manufacturer buys too far ahead and because of this the price rises and in turn the producer strains every effort to equal consumption to derive the benefit of the high price.

Must Be Day of Reckoning

"Eventually there must be a day of reckoning which, when it arrives, finds all producers over-stocked with a supply of metal. This can mean only one thing—a rapid drop in price and a loss of confidence on the part of both producer and consumer.

"When such a condition exists the manufacturer must, of course, use up his stock which in turn must be sold to the ultimate consumer at a time when new work is being curtailed. On the other hand, the producers of copper attempt to keep their heads above water and in doing so large numbers of small mines, whose production costs are high, will stop all development work, and for a time they actually operate at a cost which shows them a slight profit. The aggregate tonnage that comes from mines of this type is large, and will not show a material reduction until a low price is continued for some time.

Consumption Grows

"It is certain that over a period of years we may look forward with greatest confidence to normal increase in copper consumption. Over 60 per cent of the world's copper is used in the electrical industry, and the whole world today is increasing its consumption of electrical energy very rapidly. In the United States there has been a huge expansion in the quantity of electricity consumed during the last twenty years, and we find that copper consumed per capita has increased as follows:

"In 1912 the consumption was 8.66 pounds of copper per capita, while in 1928 it was 16.49 pounds per capita, although there had been a substantial increase in the population.

"In Great Britain in 1912 the copper consumption per capita was 6.98 pounds and in 1928 with a slight increase in population it was 7.89 pounds per capita.

"This condition is similar in France and Germany where there has been a slight increase in this particular period. However, the electrical industry is expanding in these countries today very rapidly and with this expansion must come an increase in the consumption of copper.

"For the past 50 years there has been an increase of 6 per cent per annum in the world's copper consumption. If we use this figure we will find that by 1940 the world should be consuming 3,000,000 tons of copper per annum which means that there is only enough copper ore proven in the world to date to take care of the world's requirements for the next 20 years. There may be times in the next ten years when too much copper will be produced, but the average consumption during the period should be sufficient to give a fair average price, and I am sure that we can look forward with great confidence to the future of Northern Rhodesia and that there will be no cause for alarm because of current low copper prices."

The chairman in commenting upon the operations of the company pointed out that of three of the special grants, namely Mufulira, Chambishi and Baluba, that a total of 90,000,000 tons of ore averaging 4.13 per cent copper had been proven up. In the Chambishi deposit one continuous high-grade sulphide ore body was proven to contain 2,000,000 tons averaging 10.45 per cent copper.

Says Cost May Be Low

Mr. Beatty pointed out that it is possible to work this high-grade copper ore body separately and make low cost copper even when mining a relatively small tonnage since this high-grade ore can be shipped to one of the plants now under construction in the district and the capital cost of producing it would be low. The Rhodesian Railway, between N'Kana and N'Changa, passes across the Chambishi property and only requires a short spur to provide for shipping facilities.

Mr. Beatty said that it was the policy of the company to conserve its resources and that further exploration is being curtailed pending bringing the Nufulira property into production.

A separate company, known as the Nufulira Copper Mines Ltd., has been formed in which the Rhodesian Selection Trust owns two-thirds interest and Bwana M'Kubwa owns one-third interest.

Toronto Carpet Subsidiary Acquires New Plant

Barrymore Seamless Wiltons, Inc., wholly-owned subsidiary of Toronto Carpet Manufacturing Co., has acquired a new factory at Stamford, Conn. The new building will be used for manufacturing operations, the weaving of seamless Wilton rugs now carried on at the company's plant in Philadelphia. The plant is situated on a site of 12 acres and has 250,000 square feet of floor space.

Toronto Carpet Manufacturing Co. owns all of the capital stock of this subsidiary which was established in 1922. In addition to the plant at Philadelphia operations have been carried on in Holmesburg, Pa., with complete combing, spinning and dyeworks equipment.

CANADIAN BOND MARKET TREND CONTINUES WEAK

Current Recession is Regarded as Only Temporary

During the past week Canadian bond prices have continued to feel the effects of unsettled conditions in the stock markets and the heavy volume of new municipal financing offered in September and October. The general trend throughout the year has been upward and the basic conditions underlying this movement continue without change so that further appreciation in prices of high grade bonds may be taken for granted. In the opinion of many economists and investment bankers this appreciation will continue during 1931 and it will not be surprising if Dominion of Canada bonds sell to yield on a 4 per cent basis.

Every major movement in prices covering a long period includes shorter periods of weakness or strength depending upon the character of the movement. The present temporary recession in prices has largely arisen from forced liquidation of bond holdings on the part of investors in order to protect commitments in equities which have suffered sharp price reactions or uncertainty in recent weeks.

Supply Exceeds Demand

Another factor in the high grade market is the large volume of financing undertaken by municipalities during September and October. With few offerings available during August, bidding on issues was keen in September and brought many municipalities into the market for funds. There is at present a fair amount of undigested municipal bonds on the market with other issues probable in the near future.

At the comparatively high prices prevailing demand has been somewhat reduced and institutional demand has been reduced. Many of the insurance companies, it is stated, are ordering largely on the basis of deferred delivery. Bidding, on new municipal and even government issues, under these conditions, has shown an easing off from the prices that prevailed during September and even early in October. To avoid the current off tendency, certain long term financing pending may be postponed for some months in the hope that better prices will then prevail and requirements will be met temporarily by short term loans.

Banks Buy Bonds

Institutional buying during the current year has been strong on the whole, both on the part of banks and of insurance companies which have taken advantage of the upward price trend. In their Weekly Review, Greenshields & Co. look forward to a continuation of this buying policy on the part of the banks and point out that further buying will be necessary if the bond holdings of banks are to reach the volume of previous years. The item is as follows:

"The upward tendency in bond prices has been checked by unsettled stock markets, but, in view of money conditions, the interruption to the upward movement will be short lived. The August statement of the Canadian chartered banks showed the fifth consecutive monthly increase in the bank's holdings of bonds. These holdings at the end of August amounted to $457,000,000 against $417,000,000 in March, the latter representing a low mark in a period of nearly seven years. In the interval the banks' holdings had been as high as $576,000,000. In view of the slack demand for money for business purposes it is to be expected that idle reserves of the bank will find increasing employment in the bond market and a potential demand for about $120,000,000 from this direction is indicated if the banks' holdings are to be built up again to the high mark of the past few years."

Can Get Higher Yields

At the peak of the bond market in September, many investors were not attracted to the highest grade bonds due to the fact that yields were very low compared with yields available over the last two years. Advancing prices and decreasing yields were augured by bond men in the latter part of 1929 and have come to pass with respect to the highest grade issues. Many so-called second grade bonds have not as yet felt this price increase and in certain quarters it is felt that the investor can obtain satisfactory investments in such securities at prices which will give much better yields than do the higher grade bonds at the present time.

If the cycle of rising prices follow its normal course second grade bonds are due for appreciation during the next year. Interest in such securities has not however appeared to any extent as yet and some investment bankers believe that private investors may return their attention to the better preferred and common stocks which at prevailing low prices give a high return on invested capital. Uncertainty prevailing as to the immediate future of the stock market however gives added importance to the factor of safety of principal and income which is afforded by bonds.

POSITION WANTED

Scotch-Canadian, 32, single, capable, energetic and ambitious, possessing wide practical and executive experience, at present Manager Montreal office of well-known American concern, desires to connect with established firm offering good opportunities for advancement. Box 60, Financial Post, 1070 Bleury St., Montreal.

TOWNSHIP of NORTH YORK

TENDERS FOR DEBENTURES

Sealed tenders clearly marked as to contents will be received up till 12 o'clock noon on Monday, October 27th, for the purchase of the following debentures:

		%	Years
School Section No. 20	$45,000	5	20
High School	35,000	5	30
Pavements	95,000	5	10
Pavements	45,000	5	5
Watermains	85,000	5	20

The above debentures are all of the instalment type.

The legal opinion of Messrs. Long & Daly will be secured by the Township and the cost of printing the debentures will be borne by the Township.

Tenders should be addressed to H. D. Goode, Clerk, Willowdale, and should state the price for each separate issue and for the total.

The highest or any tender not necessarily accepted.

H. D. GOODE, Clerk.

Dated at Willowdale, Oct. 21st, 1930.

NOTICE

Rural Municipality of St. Andrews, Manitoba, $17,000.00 of Six Per Cent, Thirty-year Debentures.

SEALED TENDERS will be received by the undersigned at his office, Clandeboye, Manitoba, to 1 p.m. on the 30th day of October, 1930, for the purchase of debentures authorized by by-law No. 855 of the Rural Municipality of St. Andrews, passed under The Good Roads Act and validated by Act of the Legislature of Manitoba. Payment will be guaranteed by the Province of Manitoba.

The principal amount of the issue authorized is $17,000.00 bearing interest at 6 per cent, payable in thirty yearly instalments of $1,236.03, including both principal and interest on the 5th day of December in each year, the final annual instalment falling due on the 5th day of December, 1959, all at the office of the Dominion Bank at Selkirk, Manitoba, and the head offices of said Bank in the City of Winnipeg, Manitoba, and the City of Montreal, Quebec. The debentures will be issued in sums not less than $100.00 each with or without coupon as the purchaser elects.

The tenders will be dealt with at the Council meeting of the Municipality held on the first day of November, 1930.

Any further particulars may be secured at the office of the Solicitor, for the Municipality, 807 Great West Permanent Building, Winnipeg, Manitoba.

DATED this 8th day of October A. D. 1930.

J. D. FORSTER, Secretary-Treasurer.

$173,000.00 CITY OF SUDBURY, Canada

Debentures for Sale

Sealed Tenders marked "Tenders for Debentures" addressed to the City Treasurer, City Hall, Sudbury, will be received up to 12 o'clock noon on Monday, November 3rd, 1930, for the purchase of the following debentures:

Amount	Rate	Term	Purpose
$ 53,000.00	5%	20 Inst.	Public School Board.
120,000.00	5%	20 Inst.	High and Technical School Board.

Debentures dated November 1st, 1930. Interest payable semi-annually November 1st and May 1st. Principal and interest payable at the Royal Bank of Canada, Toronto, Montreal and Sudbury.

Sudbury is a thriving city of 23,000 and has enjoyed a steady growth for years.

Total Debenture Debt at Oct. 1st, 1930	$ 2,034,410.00
Value of Building Permits, 1929	2,311,870.00
Value of Building Permits to Sept. 1, 1930	1,721,895.00
Total Assessment for 1931	15,701,309.00

Not yet confirmed by Court of Revision.

The highest or any bid not necessarily accepted.

H. R. GRANT,
City Treasurer.

City Hall, Sudbury, Ont.

CITY OF SASKATOON, SASKATCHEWAN

DEBENTURES FOR SALE

$643,500.00

Sealed tenders, addressed to the undersigned City Commissioner, and marked "Tender for Debentures," will be received up to 12 o'clock noon on Monday, October 27th, 1930, for $643,500.00 ten, fifteen, twenty and thirty year Sinking Fund Debentures, payable in Montreal, Toronto, Winnipeg, Vancouver and Saskatoon at the option of the holder.

Alternative bids will be considered on the debentures bearing,—

(a) 4½% interest.

(b) 5% interest.

(c) Alternative bids will also be considered on the basis of the interest and principal being payable at the agency of the Bank of Montreal in New York as well as at the Bank of Montreal in the above-mentioned Canadian cities.

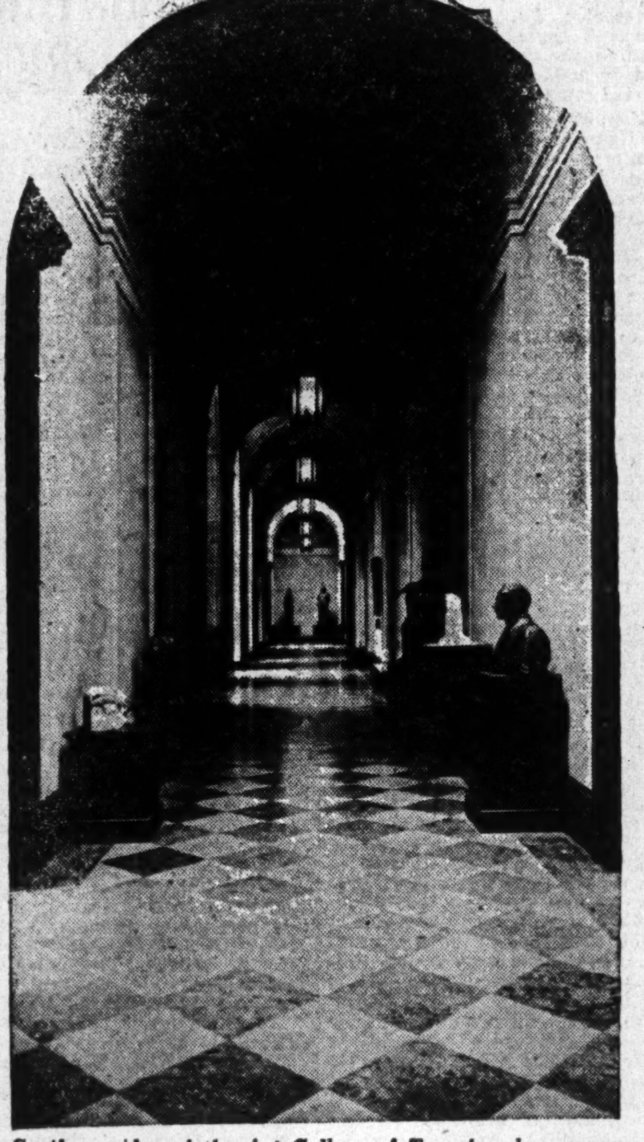
The debentures will be dated November 1st, 1930.

The whole issue is a direct obligation of the City at large. Provision is made for registration of principal only.

The City reserves the right to reject any or all tenders, also to accept an alternative proposal for part of the total issue.

Prospectus will be forwarded on application.

J. W. HAIR, *Mayor.* — ANDREW LESLIE, *City Commissioner.*



South corridor of the Art Gallery of Toronto where many valuable art treasures are housed.

TORONTO

WHERE LIFE IS RICH

HAPPILY it has been possible for Toronto to grow big industrially and commercially without losing its love of beauty, its appreciation for fine music or its regard for things sacred.

Such qualities in the life of Toronto have been nurtured in traditions stretching back over a hundred years. Life is abundant in such a city; no citizen need feel cramped or circumscribed by his environment. No aspiring youngster aiming at expression need feel thwarted. No parent need feel he works or lives in Toronto "for bread alone."

Toronto is one of the leading educational centres of the continent. The University of Toronto is the largest university in Canada and the second largest English-speaking university in the British Empire. With its affiliated colleges it embraces practically every form of higher learning—scientific, artistic, commercial, religious, literary and agricultural—and is attended by well over 6,000 students. From an educational standpoint this university is the greatest single asset possessed by the people of Ontario.

Toronto is a musical centre. The city has produced some world-famous artists and its established musical institutions include such famous organizations as the Mendelssohn Choir, the Hart House String Quartette and the Toronto Symphony Orchestra. Frequent visits of the world's leading artists delight the music-loving citizens of Toronto, who study and support music because they enjoy it, and who enjoy it because they understand and appreciate it. Conservatories of music in Toronto are of sufficient fame to draw students from all over Canada.

The Art Gallery of Toronto is a handsome building housing a fine permanent collection and putting on special exhibitions of the best and most interesting in the world's art. Last year over 150,000 attended the gallery, including visitors from every state in the United States, practically every country in Europe and the British Empire, besides China, Japan, Mexico, South Africa, South America, Korea, Siam and Bessarabia.

The culture of Toronto is the culture of those who appreciate and love fine canvases, good plays, pure music, worth-while books. It is not a cult; it springs from a rich way of living.

Toronto's many fine churches and its high level of church attendance bear witness to the religious spirit that is strong in the city. Preachers of wide reputation fill many of Toronto's pulpits.

Art and science, music and religion, learning and leisure have developed side by side with industry, commerce and finance in Canada's Queen City.

A city that can produce one of the world's greatest choirs; that can produce great authors, great editors, great teachers, great scientists, great artists, great musicians; these as well as great builders and leaders in commerce, industry and finance; that can provide support both of the mind and the pocket to indicate its tangible appreciation of the things of the heart and soul is a city of which all Canada should be justly proud. Such is Toronto!

The Story of Toronto

Fourth of a series of twelve advertisements describing the City of Toronto prepared by The Financial Post. The undermentioned public spirited citizens, firms and institutions have made possible this series.

The Bell Telephone Company of Canada

Canadian Terminal System, Limited
Terminal Building, Toronto

The Consumers Gas Company of Toronto

Durant Motors of Canada Limited
"A Good Car"

The T. Eaton Company, Limited
Departmental Store

George H. MacDonald Limited
National Advertising

The Office Specialty Mfg. Co. Limited
Manufacturers of complete office equipment in both wood and steel.

Royal Winter Fair
Unique among exhibitions for broad scope and varied interest. "Canada on Parade." 1930 dates: November 19-27.

The King Edward Hotel Co., Limited

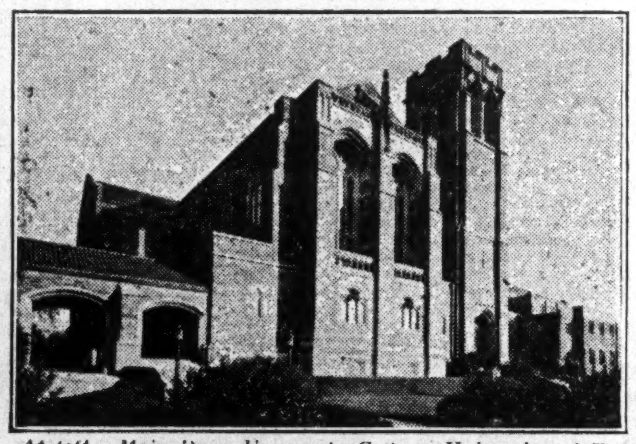
Stanley and Bosworth
"The English Shop"
Tailors, Shirtmakers, Outfitters

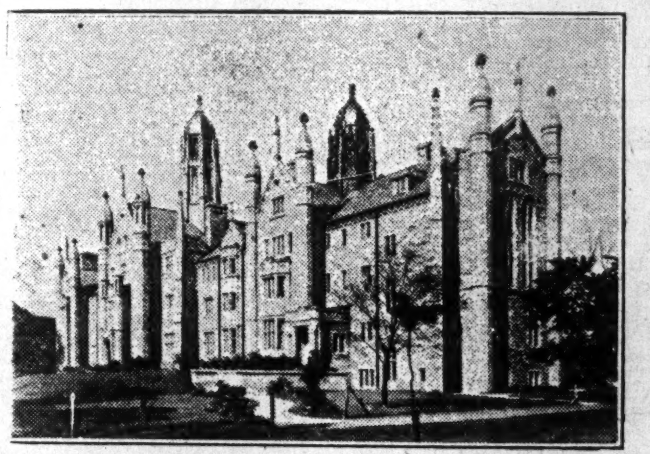
Service Engravers Limited
Engravers to The Financial Post

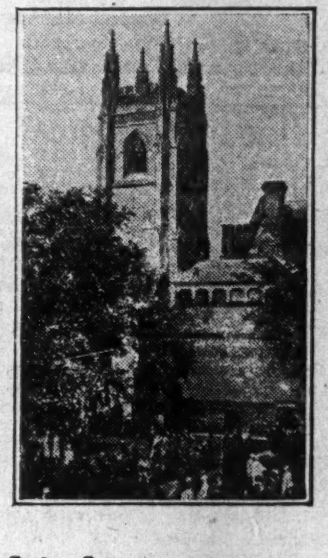
Laura Secord Candy Shops Limited

Toronto Industrial Commission

Toronto Ready Mix Concrete Limited
Transit Mixed Concrete







At left.—Main Door, University College, University of Toronto, one of the finest examples of Norman architecture in existence. Left centre.—Beautiful Timothy Eaton Memorial Church, Toronto. Right centre.—Trinity College, University of Toronto, one of the oldest and most famous colleges in Canada. At right.—Soldier's Memorial Tower, Hart House, University of Toronto, awarded a gold medal as a perfect example of Gothic architecture.

Direct enquiries to the Toronto Industrial Commission, Concourse Building, Toronto, for detailed information

Featuring Foodstuffs, Beverage and Merchandising Securities

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, OCTOBER 23, 1930 | 10c a Copy; $5.00 a Year | No. 43

DAIRIES TREND TOWARD UNITS OF GREAT SIZE

Year Sees Several Absorptions of Considerable Importance

SALES VOLUME HIGH

Industry Almost Proof Against Depression Though Competition Yearly Grows Keener

The trend toward consolidation of small units into larger organizations has continued in the dairy trade in Canada in the last year. And the size of the Borden operations in Canada was approximately doubled by the acquisition of City Dairy, Toronto, Pure Milk Co. and Hamilton Dairies, Hamilton, and other units at Windsor, Walkerville and Niagara Falls.

Silverwoods Dairies, which in point of volume is one of the most important of the Canadian companies, is expected to have a volume approaching $10,000,000 in the fiscal year ended March 31 next. Expansion in this company has been at a slower pace, however, the management apparently being content with an effort to co-ordinate the various units. There still are a number of affiliated companies which have not yet been taken into the holding company.

Dairy Corp. Controls Seven

A new holding company in the industry is Dairy Corp. of Canada, which now owns the controlling interest in seven dairy companies from Montreal to Edmonton. In point of geographical distribution, this company is more comprehensively national than any of the others, with the exception possibly of Borden, which also has units in the Maritimes and in British Columbia.

Inauguration of a dividend on the common stock of Eastern Dairies, Ltd., is indicative of the progress made by this company, which controls large units in Montreal, Ottawa, Hull, Toronto and Winnipeg. One-half share of common was issued as a bonus with each share of preferred in 1926. As will be seen elsewhere in detail, earnings reported on this stock were 29 cents in 1928, 64 cents in 1929 and $1.16 per share in the year ended March 31, 1930.

There have been a number of lesser consolidations in the last year or so, particularly in Toronto and elsewhere in Ontario and in Western Canada. The results of these smaller mergers are, of course, more dubious than those of a more comprehensive nature and, from the point of view of the investor, are less satisfactory in that, in almost every instance, the shares are not listed on any exchange and therefore lack the essential of marketability. The largest company in the unlisted group is Silverwood's. The shares of Dairy Corp. of Canada are not listed as yet, but the shares of its subsidiary, Edmonton City Dairy, are traded on the Toronto Curb.

Depression is Minor Factor

Although competition is extremely keen in the dairy industry, especially in the larger cities, the sales records for 1930 to date, so far as these are available, indicate that the sale of milk products is more nearly a depression-proof industry than is any other in the food group. It is believed that City Dairy, Toronto, would have earned considerably more than in the previous year, although in the early months there was a net loss on butter, owing to importations of this commodity, while the competition for the wholesale and retail fluid milk trade never has been keener in the Toronto area. Other companies also report growth in sales. The extremely hot weather in July and August was an important factor in promoting ice cream consumption. Ice cream is one of the most profitable branches of the dairy trade when a company can obtain adequate outlets.

Early Changes Improbable

Changes in the alignment of dairy companies in Canada probably will be less in the next few years than in the past. The various holding companies probably will take advantage of opportunities to acquire additional units in strategic territories but, in the main, it is likely that the organization of the industry will remain about as at present.

The progress of the individual companies will depend primarily on management, and the ability of that management to render service. Prices paid to farmers for raw materials are to a large degree standardized, as are prices to consumers, while quality and manufacturing practice are subject to health regulation from which companies will not deviate except to excel in some degree.

Profit, therefore, is largely a result of superlative service rendered the consumer at reasonable cost, and economies of operation and administration. The companies with good management and with moderate capitalization thus are likely to be the ones which will progress to the greatest extent.

Jewel Stores

Jewel Stores, Ltd., was formed to operate 10 groceterias in Winnipeg and 13 additional groceterias at other points in Manitoba. The company acquired from the A. F. Higgins Co. and A. F. Higgins Stores Ltd., three groceterias in Winnipeg and self-service stores at Roland, Morris and Neepawa, Man.

Capitalization—	Authorized	Issued
Pref. 7% cum. ($50 par).	$250,000	$150,000
Common (n.p.v.)	30 000 shs.	16,000 shs.

Preferred is callable at $55. Has equal voting rights with common.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable Mar., June, Sept. and Dec.

Officers—
A. F. Higgins, pres.

Chain Store Merger Rate Slackened for Time-Being

During Last Year Declining Commodity Prices Have Been Problem Successfully Tackled by Most Large Chains—Many Maintain Profits

Declining commodity prices have had a considerable effect on the business of chain store companies. It has necessitated their buying at as low figures as possible in order to meet the public demand for lower priced goods, but strange to say in the case of the grocery and food stores generally this has brought about lower sales volume as measured in dollars but not in most cases lower profits.

A case in point is Loblaw's Groceterias Co., which shows reduced sales because the volume is indicated only in dollars. Actually more goods at lower prices are passing through the shops to customers and the profit on more goods is likely to show at the end of the year more profit for the company than was earned in 1929. The percentage of profit on the goods is not increased, but the volume of transactions works the change along with continued effort to secure economy of distribution.

Candy Shops Do Well

This tendency to lower volume of sales in dollars is shown by candy shop chains as well as grocery chains, and there as well profits are likely to be found adequate.

During the last year chain stores have found growing ability of independents to compete. Numerous small stores have been eliminated all over the continent by the chains, but the stores, which held their place, are now because of closer relations with wholesale companies in a position to give effective competition in many instances.

Many Mergers Dropped

Chain stores, however, have shown more than ordinary ability to meet a period such as the present when the cost levels have been moving downward. The rapidity with which goods move off the shelves prevents any marked loss in inventories.

The stock market crash last year also brought to an end many projects for wholesale mergers of food chain stores.

The rapid increase in size of chains, which was accelerated by the public appetite for securities of such companies, has been slackened because the public appetite has not recovered from the knock-down blow of last fall. Stocks have sunk to points which are more promising than for years.

It may have been that the rapid progress toward merging chains has only been stayed and that it will be resumed when markets get brisker.

Metropolitan Stores were recently purchased by another United States chain.

Chain Store Companies

Dominion Stores

Gross Sales for Nine Months Reduced Only Slightly from Same Period 1929

Sales of Dominion Stores in the nine months ended Sept. 30, 1930, totalled $18,314,633, a decrease of $387,057 compared with the corresponding period of 1929. This drop of 2.11 per cent in dollar volume is reflection of lower retail prices, and it is assumed that physical volume is somewhat higher than in the previous year. It is stated definitely that net profits are $348,009 for the nine months and that September profits were higher than profits in September of last year. Net profits for the first nine months of 1929 were $375,519.

The last three months of the year are usually the most profitable of the twelve. In the last full year the company showed $590,549 after all charges.

Dominion Stores is the largest food chain in Canada, operating upward of 500 stores in Ontario and Quebec, wth expansion inaugurated in the Maritimes. In some instances, the company has departed from its former policy of maintaining service stores exclusively and confining sales to groceries. Meat departments have been added with some success in over 70 stores.

Outlook for this company is satisfactory.

Capitalization—	Authorized	Outstanding
Common (No par value).	1,000,000 shs.	272,269 shs.
Pref. 6½% (Par $100).	$5,000,000	None

Funded Debt—
The company has no funded debt, but mortgages on its warehouses, as at Dec. 31, 1929, amounted to $99,000.

Dividend Record—
Dividends—Present rate $1.20 per share per annum, payable Jan., April, July and Oct. In April, 1930, additional 2 per cent stock dividend was paid June 30, 1930.

Officers and Directors—
Officers—W. J. Pentland, pres., Toronto; Morley Smith, vice-pres. and treas. Toronto; W. F. Stewart, sec., Toronto; F. R. Paget, asst. treas., Montreal.
Directors—W. J. Pentland, Toronto; Morley Smith, Toronto; John B. Jameson, Concord, N.B.; W. T. Bate, St. Catharines, Ont.; E. G. Wills, W. F. Stewart, Toronto; W. S. Kies, Leslie L. Vivian, E. C. Lynch and F. W. Nash, New York, N.Y.

INCOME AND SURPLUS ACCOUNT
(Years ended December 31)

	1929	1928	1927
Gross sales	24,641,183	23,257,508	19,280,716
Gr. profits	......	......	3,673,298
Less: Op. exp.	‡24,146,933	......	3,142,153
Net earn. from oper.	494,250	598,819	531,145
Add: Other inc.	147,299	......	......
Total earn.	641,549	598,819	531,145
Less: Prov. for income tax for prev. year	......	42,829	33,707
Net profits	590,549	555,990	497,438
Less appropriations:			
Com. divds.	313,076	266,062	189,000
Res. for fire losses	20,000	......	......
Goodwill writ. down	252,065	......	......
Surp. for year	5,408	289,928	308,438
Add: Previous year surplus	1,113,996	824,068	515,630
Less: Income tax for prev. year	48,255	......	......
Bal. forward	1,071,149	1,113,996	824,068

‡ Including merchandise cost, selling and administrative expenses and depreciation.

Earn. per Sh. and Div. Record:

	1929	1928	1927
Common:			
Earned	$2.17	$6.12	$6.03
Paid	.75+.90*	3.00	2.40

* Three quarterly payments at 30 cents per share on stock increased by issue of rights at $5 a share in April, 1929.

Market Record—

	*1930 H	*1930 L	†1929 H	†1929 L	1928 H	1928 L
Com.	30¼	15	55	19⅝	163	104½

* To October 13. † New stock.

Evangeline Shops

Evangeline Shops is a chain of stores selling women's wear in Toronto and other cities in Ontario. Reports have not been published, but the company has met with some apparent success.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. ($100 par).	$500,000	$150,000
Common (n.p.v.)	20,000 shs.	11,450 shs.

Preferred is callable at 110; convertible up to June, 1930, into three common shares; to June 1932, two common shares.

Dividends—
Preferred—7 per cent per annum, cumulative, payable 1 March, June, Sept. and Dec.

Funded Debt—
None.

Officers and Directors—
W. T. Bate, St. Catharines, pres.; P. K. Heywood, Wallace McMillan, J. A. G. Clarke, Harry Startup.

Loblaw Groceterias

Business Volume and Profits Expand Despite Commodity Drop

Operating a chain of 96 self-serve groceterias in Ontario, Loblaw Groceterias Co. has grown within a decade from the small start of one store owned by T. P. Loblaw in Toronto. The success of the expanding system has been phenomenal and constant. A subsidiary in the United States, Loblaw Groceterias, Inc. has a total of 119 stores of which 75 are in Chicago and 44 in Buffalo and district.

Company's earnings in the year ending May 31, 1930, amounted to $1.28 on the Classes "A" and "B" common stock with 65 cents a share paid. In the present year profits are being maintained at somewhat above this rate although sales as measured in dollars are down. The reason for the company's ability to maintain profits is that there is really a greater total volume of commodities sold at lower prices but lower costs have enabled it to keep its position as well as before. Business is in reality expanding in volume.

Capitalization—	Authorized	Outstanding
Class "A" (No par value).	600,000 shs.	467,541 shs.
Class "B" (No par value).	600,000 shs.	383,300 shs.

Class "A"—Entitled to cumulative preferred dividend of 50c. per share per annum; participates equally with class "B" after 50c. per share has been paid on class "B." Stock dividend distributed equally. Assets to be divided $15 to class "A," then $15 to class "B," then equally. Redeemable at $50. Non-voting unless one year's dividends in arrears.

Class "B"—Participates with class "A" (see above). Has full voting power.

Classes "A" and "B"—Present rate on both classes 80c. per share per annum. Class "A" is entitled to preferential cumulative dividend of 50c. per share per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Classes "A" and "B" participate equally after the payment of 50c per share on class "B." Initial dividend of 12½c per share paid on both classes June 1, 1929, increased to 20c per share March 1, 1930.

Funded Debt—
None, but as at May 31, 1930, the company had a mortgage of $37,250 outstanding.

Officers and Directors—
T. P. Loblaw, pres.; J. Milton Cork; H. G. Muntz; C. B. Shields, Daniel Urquhart (also sec.), Toronto.

INCOME AND SURPLUS ACCOUNT
Years Ended May 31

	1930	1929	1928
	$	$	$
Net earnings	1,190,328	922,202	798,487
Deduct:			
Inc. tax res.	95,000	72,887	64,000
Re-or. exp.	7,306	7,306	7,306
Net profits	1,088,022	842,009	727,181
Deduct:			
Prior pref. divs.*	3,559	416,631	37,381
Com. divs.	......		217,792
Class A	303,800	......	......
Class B	249,146	......	......
Surp. for yr.	531,517	425,378	472,058
Add:			
Prev. surp.	1,798,996	1,364,097	902,367
Profit on sale of assets	......	47,546	......
Deduct:			
Pref. stock prem.	123,543	38,025	1,080
Tax. adj.	1,371	......	565
Adj. ac. sub. cos.	......	......	3,683
Bal. forward	2,205,599	1,798,996	1,364,097

Earnings Per Share and Dividend Record—

Classes A and B earned	$1.28	$1.05†
Paid	0.65	0.12½

*Called for redemption, but still outstanding.

†After allowance for preferred stock called for redemption Aug. 14, 1929.

Market Record (Calendar Year)—

	*1930 H	*1930 L	1929 H	1929 L	1928 H	1928 L
Com.	..	..	†108	†79	118	74
Pref.	..	..	‡135	‡130	175	130¼
Cl. "B"	15¾	11	24¾	9	...	...
Cl. "A"	15¼	11	24½	9	...	...

*To October 6.
†Old stock, to May 1.
‡Called for redemption Aug. 4, 1929.

Cons. Food Products

Large Chain Improves Position—Spread of "Stop and Shop" System

Consolidated Food Products, Ltd., through its subsidiaries, now operates a chain of 130 meat, fish and grocery stores throughout Ontario and Quebec. These stores are in Toronto, Montreal and Ottawa.

The establishment of "Stop and Shop" stores has been a prominent factor in merchandising activities in the three cities named during the current year.

Substantial growth in sales has been effected in recent weeks and it is said that, if a goodly proportion of this trade can be retained the company can show a profit.

In June, 1929, Consolidated Food Products took over the George Arnold chain of meat and grocery stores consisting of 25 shops in order to consolidate these two chains of similar name.

Capitalization—	Authorized	Outstanding
Preferred "A" Par value $35.	60,000 shs.	*30,330 shs.
Common No par value.	300,000 shs.	*233,998 shs.

*Of the outstanding stock, 150 Class "A" and 25 common shares are held by a subsidiary company.

Funded Debt—
The company has no funded debt of its own but has assumed liability on account of a bond issue of its subsidiary, Arnold Bros. 6 per cent first mortgage S. F. bonds, series "A" due 1947, outstanding $1,227,000.

Dividend Record—
Class "A," $1.50 per share per annum, non-cumulative. Participates equally with common up to an additional $1.50 per share. Initial dividend of 37½c paid April 15, 1929; 37½c. paid July, 1929. None since. Common, none paid.

Officers and Directors—
Officers—H. B. Housser, pres.; Robert H. Hommel, vice-pres. and gen. mgr.; George C. Anspach, sec.-treas.
Directors—H. B. Housser, A. D. Cobban, Robert H. Hommel and J. F. McKay, all of Toronto, Ont.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT

	Yr. end. Mar. 29, 1930	Yr. end. Mar. 31, 1929
	$	$
Net earnings	*122,165	143,715
Less: Depreciation	6,500	6,000
Bond interest	75,019	75,176
Income tax	....	3,285
Net profit	*203,684	59,254
Less appropriations:		
Pref. divs. (Pure Food)	....	24,500
Class "A" divs.	11,340	11,242
Surplus for year	*215,024	23,512
Add: Previous surplus	33,512	....
Profit on sale of prop.	....	10,000
Inc. tax adjust.	2,349	....
Less: Minority int. adj.	380	....
Bal. carried forward	*179,543	33,512

*Deficit.

Times Bond Interest Earned:

Before depreciation	1.63	1.91
After depreciation	1.28	1.83

Earn. per Sh. and Div. Record:

Class "A": Earn.	...	$1.15
Paid	$0.37½	0.37½
Common: Earned	...	0.10
None paid.		

Market Record:

	*1930 H	*1930 L	1929 H	1929 L	1928 H	1928 L
Com.	4	¾	15	5½	14½	5
Pfd. A	10	10	28	*17	..	..

* To October 13.

GRAIN GROUP'S PROFITS DOWN IN LAST YEAR

Slow Movement of Wheat Reduces Earnings of Elevators

INDUSTRY IS SOUND

Bad Management in One or Two Companies Ended—Trade Generally is in Good Position

A short crop of wheat along with the failure to market that crop resulted in decline in earnings of elevator companies in the crop year ended July 31 and while serious mistakes which were made by certain companies in the last year will not be repeated, there is a probability that the crop year ending next July 31 will be more satisfactory.

In addition to direct losses on operation of country elevators, the companies owning large terminal elevators did not have the usual revenue from handling fees. This latter loss was offset in some degree by the fact that virtually all of the terminals were filled to capacity throughout the winter and early summer, so that, for probably the first time, there was a profit on mere storage of the grain.

Speculation Not General

Certain companies also were involved in speculation, having been long of wheat at prices approximately double those prevailing today. This unsound practice of speculating in grain, while not general in the elevator trade, was unfortunately existent in one or two companies in which there is a public investment interest.

In one instance,—the one in which there was the most serious loss—there has been a comprehensive reorganization aimed to preclude a repetition of this condition. In time, this company can be expected to be restored to its former financial strength.

Is Vital Machine

The grain trade is a vital machine in the marketing of wheat and other grains and the leading men in the trade, while not infallible, are shrewd and honest, and the public investment in the long run will be a satisfactory one. Earnings of elevator companies fluctuate sharply from year to year, even aside from unsound speculation; the present are lean years, but there will be good years to come, and it is reasonable to expect that elevator companies which have suffered in the last year will come back more rapidly than is possible in most other lines of trade.

The decline in earnings of those companies which were not speculating in grain has been substantial but the position of these companies financially has not been seriously impaired and a year or two of fairly good earnings should make these companies highly attractive investments.

Metropolitan Group

Canadian Stores Sold to F. & W. Grand-Silver Stores, Inc.

The 52 chain store units formerly operated in Canada by Metropolitan Stores, Ltd., have been sold to F. & W. Grand-Silver Stores, Inc. Metropolitan stores was a subsidiary of Metropolitan Chain Stores Inc. The Canadian units operated by the company have shown good gains in sales during the current year.

Metropolitan Chain Properties, Ltd., deals in real estate and leaseholds. It was organized to acquire ownership in fee of chain store properties in Canada. Metropolitan Corporation of Canada, another subsidiary of Metropolitan Stores, fulfills a similar function. Both companies

(Continued on page 16)

Chain Food Stores Adding Meat Departments

An interesting development in the merchandising of foodstuffs is the addition of meat and green goods departments by the grocery chains. The above illustration shows the interior of Dominion Stores unit in Quebec City. Dominion Stores has been enlarging and converting various units into stores of this type.

LIQUOR STOCKS FALL HEAVILY, EXPORT BAN

Competition from Domestic and Foreign Distillers and Brewers is Keen

FORBID ADVERTISING

Large-Scale Mergers Proceeding in Brewery Industry—Protection is Asked

Market valuations of securities of companies which manufacture alcoholic beverages have suffered a considerable drop in the course of the last year. This is true of companies which manufacture whiskies as well as those which manufacture beer, ale or wines It is a result not only of the general depreciation of securities and the recession in general business but a marked depression in business of these companies.

The whisky group is suffering from depression in business, from over-production and from difficulty in getting to foreign markets following Dominion regulations forbidding export to countries whose laws forbid consumption of alcoholic liquors. In this issue there is elsewhere a discussion of the annual report of Hiram Walker-Gooderham & Worts and quotations from the remarks of the president as to the influence bearing on is company. In differing measure the same remarks might apply to other companies.

Would Advertise but Cannot

Beers, ales and wines find a handicap on expansion in the Ontario laws which forbid advertising the product. Some other provincial liquor commissions also forbid advertising, and companies therefore have to await the comparatively slow process of advertising that goes from mouth to mouth of those that drink. Export restrictions also hurt brewery companies which formerly depended on the United States market. This especially affected Carling's and the stock from a high of 36 dropped down to about 1½.

A series of mergers in the brewing industry have featured the last few months. Brewing Corp. of Canada especially has drawn interested attention with its programme of merging a number of large breweries in the hope that costs could be dropped considerably when operations were consolidated. Carling's was the latest acquisition of this group. Canadian Brewing Corp. was also taken over. Large economies in administration are expected.

Wine Industry Steps Out

Canadian Wineries has exhibited considerable strength recently. In a business way it has recovered part of the market lost last year, and the establishment of sparkling wines made in Canada fully meets the view of the Ontario Liquor Board chairman who has been advocating such a move for some time. Other wines have been improved, and the prospect is that the wine making industry in Canada is beginning to make a fresh start.

Imports still go on, and W. J. Hume, of Walker's states his belief in the annual report that protection should be given against foreign importations.

SOFT DRINK COS. HAD HOT SUMMER TO HELP SALES

New Products Increased—Smaller Companies Have Hardest Time

Soft drink manufacturers found that business during the long, hot summer fully rewarded them for occasional losses made in the early months of the year. Many believe that total volume for 1930 will exceed the total for 1929. Business recession in other lines did not obtain in this business during the hot months.

Canada Dry Ginger Ale reported in Canada increasing sales and profits. Orange Crush and Honey Dew are having a better year than last. Gurd is believed to have had good results. Some of these companies introduced new products which will have to win their way.

A number of small companies have been working hard to establish a place in the industry. Some have achieved an apparent success but competition is keen and best results are not expected unless mergers made have an effect in preventing waste in sales effort and collection expenses.

Meat Packers' Big Need Is Higher Hog Production

Lower Grain Prices Likely to Bring Greater Bacon Output, Again Establishing Canada in British Market Now Held by Danes

The two principal meat packing companies in Canada in which there is a public investment interest are Canada Packers, in the east, and Burns & Co., in the west. Neither company issues interim statements, but it is believed that the results for the current year will not be so satisfactory as those of the previous year.

Burns & Co. has been almost unique in the packing industry in that its prosperity has met no serious check. In Eastern Canada a different situation prevailed partly because of an expensive attempt to retain a portion of the British bacon market—for the moment surrendered to the Danes—and partly due to excessive duplication of operations in past years owing to the large number of companies in the business.

The organization of Canada Packers Ltd. to control the stock and to consolidate the operations of Harris Abattoir, Gunns Ltd., Canadian Packing Co. and the William Davies Co. was a constructive step, as is shown by the steady improvement in the balance sheet position of the holding company. But before the industry is on a permanently sound foundation, the exports of Canadian animal products in which this industry is interested, chiefly hogs, must be restored. This means that Canadian farmers must produce hogs in such quantity and at such a low cost—while yielding a profit—that Canadian bacon can be sold in quantity in the British market. There is no question that the quality of Canadian bacon is such as to win a substantial proportion of that market if the price is right.

Farmers Look to Hogs

The low price of grain, particularly the low price of barley, probably will encourage the Western farmer to get into the hog-raising business on a larger scale and if this takes place, as is forecast by observers of conditions in Western Canada, the meat-packing industry in this country will be benefitted.

In July of the present year, J. S. McLean, president of Canada Packers, appended to that company's report a comprehensive and thoughtful statement regarding the future of the livestock industry in Canada, in relation to the whole agricultural problem. Mr. McLean declared that Canadian prices must be the world-level if the industry is to grow as it should in the export market. Chicago prices still are somewhat below those at Toronto, but a change in the situation cannot take place overnight. It will be a year from now before there can be any substantial increase in shipments from the prairies. That there is a likelihood of an increase in prairie production of hogs is shown by the premium paid in the last few months for breeding animals.

Dairy Companies

City Dairy Borden Co. Hamilton Dairies

Great United States Holding Company Extends Investments in Canada

City Dairy Co., Toronto, in September of this year became a wholly owned subsidiary of the Borden Company. City Dairy preferred was redeemed at $135 per share cash and the common shareholders were given seven of the Borden stock for eight City Dairy.

A change in control might have been forecast with the death of W. J. Northgrave, president and managing director of City Dairy, in June. The business had grown and strengthened itself substantially under his guidance and his passing inclined the other directors to consider offers from other interests.

Return is Greater

The Borden Company is one of the outstanding organizations in the business world and the absorption of City Dairy into the Canadian group of subsidiaries is from the Borden point of view, a forward step which will tend, not only to expand the domestic business, but place the Borden Company in better position further to develop the export markets.

The Borden Company has had a long and honorable history and the returns to the shareholders probably will continue to grow. The immediate return to City Dairy shareholders is somewhat larger, although it is believed that City Dairy could have advanced its dividend from the $2 rate prevailing for the last few years.

Acquires Hamilton Dairies

The Borden Company in the last year has acquired a number of other Canadian companies which round out its organization on this side of the boundary east of Winnipeg. Caulfields Dairy, Toronto, has been a Borden unit for two or three years. Another acquisition, in which there formerly was investment interest, is Hamilton Dairies, Ltd. The shareholders of this company received two shares of Borden stock for five of Hamilton Dairies. The Hamilton Dairies preferred was redeemed at the callable price of $105 and accrued dividend.

There was a comprehensive review of the Borden Co.'s Canadian activities in the October 16 issue of The Financial Post.

City Dairy

Capitalization—	Authorized	Outstanding
*Common (No par value).	160,000 shs.	92,400 shs.
Pref. 7% cum. (Par $100).	1,000,000	700,000

Funded Debt—
None.

Dividend Record—
Preferred—7% per annum, payable quarterly, Jan., April, July and Oct. 1.
Common—$2 per share per annum, payable quarterly, Jan., April, July and Oct. 1. Initial dividend on new no-par shares paid April, 1928. The quarterly dividend of 50 cents due Oct. 1, 1930, was not paid, but shareholders depositing their shares before Nov. 15 will receive on Dec. 1 a quarterly payment of 75 cents on Borden common stock.

Officers and Directors—
Officers—S. J. Moore, chairman of board and pres.; A. E. Ames, vice-pres.; C. Ruttan, gen. mgr.; J. Findley, sec., Toronto.
Directors—S. J. Moore, A. E. Ames, J. N. Shenstone, Col. Fred H. Deacon, F. Erickson Brown, E. G. Baker, Denton Massey, T. A. Russell, all of Toronto.

INCOME AND SURPLUS ACCOUNT.
Years Ended December 31

	1929	1928	1927
	$	$	$
Net profits	362,928	327,963	323,903
Less appropriations:			
Pref. divs.	49,000	49,000	49,000
Com. divs.	184,800	184,800	92,025
Adj. of deprec. res.	......	......	......
Surp. for yr.	129,128	94,163	182,878
Add: Prev. surplus	866,283	772,120	589,242
Bal. car. for'd	995,411	866,283	772,120

Earnings Per Share and Dividend Record:

	1929	1928	1927
Preferred:			
Earned	$51.85	$46.85	$46.27
Paid	7.00	7.00	7.00
Common:			
Earned	3.40	3.02	12.16
Paid	2.00	2.00	3+1

* After provision for depreciation, bad and doubtful debts, etc., and including income from investments.

Market Record—

	*1930 H	*1930 L	1929 H	1929 L	1928 H	1928 L
Common	67½	46	84	35	*86½	44⅝
Pref.	155	120	140	118	150	121

* New no-par value stock.
† To Oct. 6.

Hamilton Dairies

Capitalization—	Authorized	Outstanding
Comon (n.p.v.)	50,000 shs.	26,000 shs.
Preferred Par $100.	$1,500,000	$750,000

The company was acquired, as at April 1, 1930, by The Borden Co. of New York, the common stock being exchanged on the basis of two shares of The Borden Co. for each five shares held, and the preferred being called for redemption at $105.

Dairy Corp. of Canada

Dominion-wide Merger Does Annual Business of $8,000,000

Dairy Corp. of Canada, Ltd., which was formed little more than a year ago, now owns and controls seven dairy companies and has a substantial interest in others in all parts of Canada. The subsidiaries have a combined output of $8,000,000 per annum. It is reported that all units have shown good results during the first half of the current year and it is estimated that earnings for 1930 should compare favorably with the earnings in 1929.

The companies now owned outright or controlled by Dairy Corp. of Canada, are as follows:

City Dairy, Ltd., Winnipeg.
Davies Dairy, Ltd., Saskatoon.
Edmonton City Dairy, Ltd., Edmonton.
Montreal Dairy Company Ltd., Montreal.
Prairie Creameries, Ltd., Regina.
Purity Dairy, Ltd., Regina.
Purity Ice Cream, Ltd., Winnipeg.

Practically all of these companies have been established for many years in their several localities and have a good record of earnings. Considerable economies have been effected in the case of companies operating in the same communities.

The management is under J. A. Caulder, of Toronto, formerly president and general manager of the Saskatchewan Co-operative Creameries.

Capitalization—	Authorised	Issued
Pref. 6% cum. ($100 par).	$1,500,000	$535,000
Class "A" com. (No par value).	100,000 shs.	20,600 shs.
Class "B" com. (No par value).	50,000 shs.	36,000 shs.

Preferred is callable at 105; convertible into Class "A" common on the basis of 2 for 1. Non-voting unless 8 quarterly dividends in arrears.
Class "B" has preference as to non-cumulative dividends of $2 per share, but ranks equally with Class "B" in regard to voting power and assets.
Sufficient Class "A" shares are reserved for the conversion of preferred. The company has also granted options on a further 5,000 Class "A" and 5,000 Class "B" shares.

Funded Debt—
Sinking fund gold debs., 6 per cent, due 1945, Series "A," outstanding $500,000.

Dividends—
Preference—6 per cent per share per annum, payable quarterly, Jan., April, July and Oct. 1. Initial dividend of $1.50 per share was paid on Oct. 1, 1929, and payments have been made regularly since that date.
Classes "A" and "B"—None paid to date.

Officers and Directors—
Officers—J. A. Caulder, pres. and man. dir.; James M. Carruthers, vice-pres.; W. G. Brown, sec.; F. W. Paynter, treas.
Directors—J. A. Caulder, R. A. Daly, A. H. C. Beairsto, W. W. Evans, A. W. McLennan, J. A. McFeeters, J. P. Walwyn, Toronto, Ont.; James M. Carruthers, Winnipeg, Man.; William Arden, Calgary, Alta.; W. W. Prevey, Edmonton, Alta.; F. E. M. Robinson, Richmond, P.Q.

Edmonton City Dairy, Ltd., which is now controlled by Dairy Corp., of Canada distributes dairy products in Edmonton and through Northern Alberta and the Canadian West. The company owns a plant in Edmonton equipped for milk bottling and butter and ice-cream making. It is the result of a merger of the Edmonton City Dairy Company of Edmonton, and Woodland Dairy, also of Edmonton, both of which companies were founded more than 15 years earlier.

EDMONTON CITY DAIRY
(Controlled by Dairy Corporation of Canada)

Capitalization—	Authorized	Outstanding
Pref. 6½% cum. ($100 par).	$1,000,000	$885,000
Common (n.p.v.)	30,000 shs.	30,000 shs.

Preferred is redeemable at 105. Over 80 per cent of common stock owned by Dairy Corp. of Canada.

Dividends—
Preferred: 6½ per cent per annum, cumulative from Feb. 20, 1929, payable Apr., July, Oct. and Jan. 1. Initial dividend paid Apr. 1, 1929.
Common—As declared. Initial dividend of $1.00 per share, covering the 1929 period, was paid Jan. 2, 1930.

Funded Debt—None.

Officers—
W. W. Prevey, pres.; J. A. Caulder, vice-pres.; H. P. Madsen, gen. mgr.
Directors—W. W. Prevey, H. P. Madsen, E. T. Love, W. A. Thomson, Edmonton; C. Burnell, North Edmonton; W. Arden, Calgary; J. A. Caulder, Toronto.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
For Year ended March 31

	1929
	$
Net earnings	172,280
Interest charges	21,473
	150,807
Less: Depreciation	56,392
Income tax	7,150
Net profit	87,265
Less appropriations:	
Divs. & int. paid in lieu of divs.	31,431
Surplus for year	55,834
Earn. per Sh. and Div. Paid:	
Preference, earned	8.73
Paid	*
Common, earned	1.86
None paid.	

* Initial dividend at rate of 6½ per cent

(Continued on page 16)

PRESENT YEAR LOOKS BETTER FOR MILLERS

Low Wheat Prices May Bring Higher Flour Exports

CONDITIONS BETTER

Trade Reports Lower Earnings for Last Period—Management of Maple Leaf is Changed

The crop year ended July 31 has been characterized as the most difficult one in the history of the Canadian milling industry. One of the largest companies—Maple Leaf—suffered appallingly because of bad management, according to the signed statement of the new president, C. W. Band, but even the other companies which were under no such handicap all have reported decline in earnings.

The present year is one of much greater promise. Maple Leaf has been thoroughly reorganized to avoid repetition of former errors. Wheat prices are so low that the Canadian millers can again enter the export market in a big way. Canadian flour is known throughout the world and it is assumed that this year it can be sold at prices which should attract buyers in countries of low standards of living—China for instance—which, when flour prices are high, turn to rice and other crops as a cheaper substitute.

Most Companies Sound

Balance sheets of the principal milling companies—with the exception noted—indicate sound operating policies. The Canadian milling industry is in some degree handicapped in its export operations, but the outlook for the present year must be considered distinctly more promising than the previous year. The present management of all of the companies big enough to enter the export market is such as to lead to the hope that earnings in the next twelve months will be satisfactory and there is reason to believe that there will be some recovery in the financial position of Maple Leaf Milling.

Baking Competition Keen

Closely allied to the milling industry are the bread companies. In the past year some of these also reported declines in profits, due in part to the severe competition for business and in part, possibly, to contracts for flour based on wheat prices above the level prevailing at the end of the fiscal periods of the various companies.

Most of the larger baking companies are subsidiaries of milling companies. This is an advantage to the milling company in that there is an assured outlet for substantial proportions of the products of the mills.

Metropolitan Group

(Continued from page 15)

leased their holdings to the parent organization.

Bondholders of these subsidiaries met recently to ratify any changes in the trust deed made advisable by the transfer of these leases to the new owner of the properties, F. & W. Grand-Silver Stores, Inc.

METROPOLITAN CHAIN STORES, INC.

Capitalization—	Authorized	Outstanding
Common (n.p.v.) ..	400,00 sh.	150,202 sh.
Pref. 7% cum. red., conv., ($100 par)	$5,000,000	$3,500,000

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable quarterly, Feb., May, Aug and Nov. 1. Passed Aug. 1, 1930.
Common—None.

Officers and Directors—
Officers—E. W. Livingston, pres. and treas.; L. R. Desmarteaux, vice-pres.; M. Sklarz, sec. and asst. treas.; Joseph Unger, comptroller.
Directors—E. W. Livingston, L. R. Desmarteaux, P. Shields, N. Crandall, H. J. Shaffer, M. Sklarz, John Z. Lowe, Joseph Unger, A. P. Holzemer, all of New York City; R. C. Wallar, G. H. Burr, J. H. Moyer, H. L. Green.

METROPOLITAN STORES
(Entirely owned by Methopolitan Chain Stores)

Capitalization—	Authorized	Issued
Common .... (Par $100).	$2,000,000	$1,000,000

Authorization increased from $1,000,000 to $2,000,000 in December, 1929.

Funded Debt—
None.

Officers and Directors—
Officers—E. W. Livingston, pres. and treas.; L. R. Desmarteaux, vice-pres.; M. Sklarz, sec. and asst. treas.; Joseph Unger, comptroller.
Directors—E. W. Livingston, L. R. Desmarteaux, M. Sklarz, John Z. Lowe, Joseph Unger, G. W. Shuff and P. P. Banninga, all of New York City.

METROPOLITAN CHAIN PROPERTIES

Capitalization—	Authorized	Outstanding
Common .... (Par $100).	5,000 shs.	5,000 shs.

Funded Debt—
1st mortgage, convertible 6 per cent bonds, due 1948, outstanding $3,000,000.

METROPOLITAN CORPORATION OF CANADA
(Entirely owned by Metropolitan Stores, a subsidiary of Metropolitan Chain Stores)

Capitalization—	Authorized	Outstanding
Common .... (Par $100).	5,000 shs.	5,000 shs.

Wholly owned by Metropolitan Stores.

Funded Debt—
First mortgage bonds, series "A" 6 per cent, due 1947; outstanding $1,300,000.

Officers and Directors—
Officers—E. W. Livingston, pres. and treas.; L. R. Desmarteaux, vice-pres.; M. Sklarz, sec. and asst. treas.; Joseph Unger, comptroller.
Directors—E. W. Livingston, L. R. Desmarteaux, M. Sklarz, G. W. Shuff, P. B. Banninga, New York City.

Steel's Consolidated

New Receiverships Complicate Situation for Patient Investors

Steel's Consolidated is the relic of the L. R. Steel enterprises which crashed in a spectacular manner several years ago. Valiant efforts to build a sound investment out of what was saved from the wreck so far have met with little success. New receiverships for two of the companies in the present year have been followed by an attempt at reorganization in Canada which is dependent for its success on the willingness of shareholders to come to the rescue with more cash.

The outlook is not promising.

Capitalization— Common:	Authorised	Issued and to be Issued
Class "A" .... ($20 par).	$2,500,000	$467,700
Class "B" .... (No par value).	500,000 sh.	*254,742 sh.
Pref. 7% cum. (Par $10).	$5,000,000	*$3,283,257

*To be issued when required by the L. R. Steel Stockholders' Protective Trust in return for $1,883,262 transferred to the company in assets and cash made up to Dec. 31, 1926.

Funded Debt—
7% convertible debentures, due 1929; outstanding $818,184 convertible into preferred stock on the basis of 120% of preferred for 100% of debentures. 6% registered 1st mortgage refunding and improvement bonds, due 1931, outstanding $571,500; debenture notes, due 1931, $10,000.

Officers and Directors—
Officers—(Steel's Consolidated, Inc.) — W. M. Wilkins, pres., Matthew Hansen, W. J. Carpenter, vice-pres., S. F. Head, sec.
Directors—W. M. Wilkins, Matthew Hansen, R. F. Ullrich, W. J. Carpenter, Buffalo, N.Y.; A. LeFaivre, Montreal; C. H. MacKenzie, Toronto; Fred Bennett, Salt Lake City; Richard J. Schneider, Newark, N.J.; Albert F. Felske, Detroit, Mich.; J. E. Samson, Quebec City, Que.; Charles J. Richards, Towanawanda, N.Y.
Officers—(Steel's Consolidated, Ltd.) — W. M. Wilkins, pres.; Matthew Hansen, vice-pres.; C. H. MacKenzie, sec.-treas.; J. H. Keeler, gen. mgr. of stores.
Directors—W. M. Wilkins, Matthew Hansen, Buffalo, N.Y.; C. H. MacKenzie, Toronto; J. E. Samson, Quebec City, Que.; A. L. Felske, Detroit, Mich.

Thrift Stores

Thrift Stores, Ltd. operates a wholesale grocery business and 43 stores in Montreal, comprising a retail grocery chain. The company has made progress since its inception in 1929 and though current earnings have shown a moderate decline, the company has maintained a satisfactory sales volume.

Capitalization—	Authorized	Outstanding
1st pref. 6½% .... (Par $25).	14,000 shs.	14,000 shs.
2nd pref. 7% .... (Par $10).	12,000 shs.	12,000 shs.
Common .... (No par value).	57,000 shs.	*20,000 shs.

1st preferred is callable at $32.50 to Sept. 1, 1931, $30 thereafter; convertible at any time into two common shares.
2nd preferred is callable at $13 to Sept. 1, 1931, $12 thereafter; convertible at any time into three common shares for each four 2nd preferred shares.

*37,000 shares reserved for conversion of first and second preference shares.

Dividend Record—
1st preferred—6½ per cent.
2nd preferred—7 per cent, per annum, payable quarterly; Jan. Apr., July and Oct. 1. Initial dividend paid Jan., 1930, and regularly since.
Common—None paid.

Funded Debt—
None.

Officers and Directors—
Officers—M. Rudolph, pres.; J. Schafran, vice-pres.; W. E. Dunton, C.A., vice-pres. and treas.
Directors—M. Rudolph, J. Schafran, Allan M. Mitchell, A. F. Byers, W. M. Hodgson, Walter A. Merrill, K.C., W. E. Dunton, C.A., all of Montreal.

CONS. INCOME & SURPLUS ACCOUNT
For Period Aug. 3, 1929 to March 31, 1930

Net earn. from operations	$54,488
Less: Depreciation	10,277
Int. paid on balance of purchase price of assets	5,113
Net profit	39,098
Less appropriations:	
1st pref. div. (to Mar. 31, 1930)	5,804
2nd pref. div. (to Mar. 31, 1930)	4,200
Balance carried forward	$29,094
Earn. per Share and Div. Record—	
1st pref.: Earned	$2.79
Paid	.81¼
2nd pref.: Earned*	2.31
Paid	.35
Common: Earned†	1.18
None paid.	

*After six months' dividend on the total first preferred outstanding as at March 31, 1930.
†After six months' dividends on first and second preferred outstanding.

Thomson Groceries

Thomson Groceries, Ltd., is a small chain of retail stores operated in Toronto.

Capitalization—	Authorized	Outstanding
Common (Par $100).	$40,000	$40,000

Funded Debt—
None.

Dividend Record—
7% cumulative.

Officers—
T. H. Thomson, gen. mgr.; Andrew Thomson, Alex. Thomson.

G. Tamblyn

Chain of Drug Stores in Ontario Reported to be Making Good Progress

G. Tamblyn Ltd. is a chain of drug stores in Toronto and elsewhere in Ontario which had a considerable record of success prior to the public offering of stock in 1928. Net profits shown were considerably greater in 1929 than in 1928 and it is understood that good progress has been made in the present year.

Capitalization—	Authorized	Issued
Common (n.p.v.) ..	28,000 shs.	28,000 shs.
Pref. 7% cum. .... ($100 par).	$700,000	$660,000

In addition there is one deferred common share which, while outstanding, has the right to elect one member of the board of directors.
Preferred is callable at 110.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable 1st Jan., Apr., July and Oct. Initial dividend paid Apr., 1928; paid quarterly since.
Common: None paid. No dividend may be paid on common while any arrears payable on preferred.

Officers and Directors—
G. Tamblyn, pres. and gen. mgr.; W. E. Corlett, vice-pres.; W. H. Campbell, H. C. F. Mockridge, J. F. M. Stewart, Toronto; W. C. Scott, sec.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1929 $	1928 $
Net profits	184,313	134,772
Less. Preferred dividends	46,900	42,875
Surplus for year	137,412	91,897
Add: Prev. surplus	91,897	......
Balance carried forward ..	229,309	91,897
Earnings Per Share and Dividend Record:		
Preferred: Earned	$27.93	$19.25
Paid	7.00	6.12
Common: Earned	4.91	3.28
None paid.		

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Pref.	102	97½	102	94	100	90
Com.	40	32	64	40	53	21⅛

*To Oct. 6.

Hunt's

Makes Better Sales Showing in 1930 Than in Previous Year

Hunt's Ltd., which operates a chain of 28 candy and ice cream stores and tea rooms in Toronto, Ottawa and Hamilton, has continued to expand its business during 1930 in spite of the business recession. As soon as the business situation makes the move a justifiable one, it is the intention of the company to extend its operations to Montreal. For the first three-quarters of the year official reports indicate that earnings of the company were in excess of the corresponding period of last year and that a bonus will again be paid with the dividend disbursements of January 1, 1930.

The business was founded in 1905 with one store in Toronto. Steady expansion has occurred from then to the present date. Also, two new stores were opened in Toronto in 1930. The company manufactures all its own candy, ice cream, cakes, pastry, rolls and bread. It sells most of its products in its own stores. The manufacture and sale of candy is the largest and most profitable portion of the company's business.

Capitalization—	Authorized	Outstanding
Class "A" .... (No par value).	100,000 sh.	18,656 sh.
Class "B" .... (No par value).	15,000 sh.	15,000 sh.

Capital stock was re-organized in 1929. The 1st and second preferred were redeemed at 110 and 100 respectively and new class "A" and class "B" stock authorized, the old common stock being exchanged share for share for new class "B"

Funded Debt—
None.

Dividend Record—
Class "A" and "B" rank equally as to dividends. Present rate $1 per share per annum, payable quartely, Jan., Apr., July and Oct. 1. Initial dividend of 25c on both shares paid Mar. 1, 1929. A bonus of 50c per share was paid Jan. 2, 1930.

Officers and Directors—
Officers—H. W. Hunt, pres. and man. dir.; L. K. Hergert, sec.-treas.
Directors—H. W. Hunt, L. K. Hergert, A. F. Schnaufer, J. D. Montgomery, J. H. Ratcliffe, all of Toronto.

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1929 $	1928 $	1927 $
Sales	1,149,501	1,025,000	802,108
Net earn. ..	102,768	75,482	69,577
Less: Inc. tax	6,650	5,814	5,681
Loss on fix.	200	......	......
Net profit .	95,913	69,668	63,896
Less approp:			
Pref. div.	5,193	27,869	22,226
Com. div.	......	15,000	......
Class "A" divs.	25,901	......	......
Class "B" divs.	22,500	......	......
Surp. for yr.	42,319	26,799	41,670
Add: Prev. surp.	171,234	144,435	102,765
Adjust. re taxes ...	2,960	......	......
Bal. fwd.	216,513	171,234	144,435
Earnings Per Share and Dividend Record: Classes "A" and "B":			
Earned		$2.69	
Paid		1.50	

Market Record—

	Class "A" High	Low	Class "B" High	Low
1929	40	25	40	30
1930 (To Oct. 18)	28	19	30	19

Laura Secord Candy Shops

Sales Are Down in 1930 But Profits Are Being Maintained

Laura Secord Candy Shops, which operates a chain of 65 retail candy shops in various cities of Ontario and Quebec, reports total sales during the first nine months of 1930 down about 6 per cent, while profits remain at about the same level as for 1929.

The company was first established in 1913 under the name of Laura Secord Confections Ltd., and was incorporated under the present name in 1926. The company manufactures all its products in its own studios at Toronto and Montreal. All sales are on a cash basis and all the company's stores are leaseholds.

The company owns the minority interest in Fanny Farmer Candy Shops, Inc., which operates a similar business in the United States under the same management.

Capitalization—	Authorized	Outstanding
Common .... (No par value).	*57,434 shs.	51,434 shs.

In Feb., 1930, the preferred stock, which carried the privilege of conversion into three common shares, was called for redemption, expiring April 15, 1930. All but 12 shares were converted.

*Only 35,000 shares of common are authorized by the company's charter, but provision is made for issue of 22,500 additional shares to provide for conversion of preferred stock.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, payable quarterly, Jan., Apr., July and Oct. 1. Paid regularly since April, 1927.
Common—$3 per share per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Initial dividend of 50 cents paid Dec. 1 1928, and until increased to 75 cents, Dec. 1, 1929.

Officers and Directors—
Frank P. O'Connor, pres.; J. D. Hayes, 1st vice-pres. and gen. mgr.; W. J. O'Connor, 2nd vice-pres.; C. P. Moher, 3rd vice-pres.; C. H. Ellston, sec.-treas., Toronto; A. A. Audette, Montreal.

INCOME AND SURPLUS ACCOUNT
Year Ended September 30

	1929	1928	1927
Net profits*	339,765	†206,438	167,812
Less: Pref. div. ..	43,482	49,397	43,654
Common div. ..	77,234	......	......
Surplus	219,048	157,041	124,158
Add: Prev. surp....	281,198	124,158	......
Total	500,246	281,199	124,158

*After all charges including depreciation and taxes.
†After deducting $40,000 for reserve for equalization of costs.

Dividend Record and Earn. per Share:

			‡
Pref.: Earned ...	$61.78	$29.79	$22.37
Paid	7.00	7.00	‡5.83
Com.: Earned ...	7.22	4.28	3.54
Paid	2.00	...	...

‡Ten month period.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Common	48	38	57	40	49½	37

*To Oct. 6.

Jenkins Groceteria

Jenkins Groceteria, Ltd., is a chain of 30 groceries, with head office in Calgary. An interesting feature of the investment is that dividends on 2,880 shares of 4,800 issued are guaranteed for a term of years by a large insurance company. These 2,880 shares have a prior claim over the 1,920 preferred shares previously outstanding.

Capitalization—	Authorized	Issued
Pref. 7% cum. ..... ($100 par).	$580,000	$480,000
Common (n.p.v.) ..	20,000 sh.	20,000 sh.

The issue of 2,800 shares preferred, made in March, 1928, carried with it a guarantee as to the payment of dividends by the London & Lancashire Guarantee & Accident Company of Canada. These shares have a preferred right as to dividends and assets over the remaining 1,920 shares outstanding, and may demand and receive from the company payment at par and accrued interest on Jan. 1, 1933, after which the shares are redeemable at $105, retirement taking priority over the remaining balance. If any of the 2,880 shares remain outstanding after Jan. 1, 1933, the guarantee as to dividends will be extended for another five years.

Dividends—
Preferred—7 per cent cumulative, payable Jan., Apr., July and Oct. 1.
Common—None to be paid for five years from Jan. 1, 1928, as protection for preferred shareholders.

Funded Debt—
None.

Officers—
H. M. Jenkins, pres. and gen. mgr.; C. S. Henley, sec.-treas. and director; John Ross, director.

Grand Central Markets

Grand Central Markets is a somewhat impressive building on Yonge Street, Toronto, which has been in course of construction for a year or longer. There was difficulty in selling stock to complete the structure and the troubles of the financing company are understood to have embarrassed the National Debenture Corp., and G. A. Stimson Company which had invested in the project.

Capitalization—	Authorized	Issued
Pref. 7% cum. ... ($10 par).	75,000 shs.	60,000 shs.
Common (n.p.v.) .	75,000 shs.	75,000 shs.

Preferred is redeemable at $11 per share.

Dairy Corp. of Canada

(Continued from page 15)

per annum paid April 1, 1929, for period from Feb. 20, 1929, to Mar. 31, 1929.

Market Record—

	*1930 High	Low	1929 High	Low
Common	19	16	20	19
Preferred	90	86	90	89

*To October 13.

Saskatchewan Co-operative Creameries

Saskatchewan Co-operative Creameries is a merger of the former co-operative company and Caulder's Creameries. The government of the province is interested in the investment. The capital setup is complicated and it will require a number of years of satisfactory earnings to simplify the structure.

Capitalization—	Authorized	Outstanding
Cum. pref.*	$600,000	$584,020
Amal. pref. "A"*	108,000	108,000
Govt. red. pref.* .	355,083	355,083
Common*	1,000,000	345,275

*Par value $10.

Funded Debt—
7% bonds, due July 1, 1944, (originally Saskatchewan Creamery & Ice Cream Co.'s bonds) outstanding $436,800.

Mortgages—
The Government of Saskatchewan holds a mortgage for $300,000 on the remainder of the properties formerly owned by Caulder's Creameries Ltd.
The Government also holds a mortgage for $897,800 on all the assets formerly owned by the Saskatchewan Creameries Company (old company).

Dividends—
Preferred — 7% per annum, cumulative, payable Jan. and July 1. When the common shares have received a dividend of 7% the Amalgamation Series "A" shares are entitled to an additional dividend up to 8%, after which the $600,000 preferred shares participate equally with them until the preferred have received an additional 3%.
Common—7% per annum. Last dividend paid in 1919.

Officers and Directors—
Officers—O. W. Andreasen, pres. and gen. mgr.; J. J. Cochrane, vice-pres.; T. G. Martin, treas.; F. A. Davidson, sec.
Directors—O. W. Andreasen, Col. F. J. James, James Strathdee, A. G. Buck, Preeceville, Sask.; Thomas Miller, W. F. Dunn, Moose Jaw, Sask.; C. A. Needham, Saskatoon; W. F. Goulden, Ebenezer, Sask.; W. C. Paynter, Tantallon, Sask.; W. J. Redmond, Maple Creek, Sask.; W. A. McIlrath, Radville, Sask.; C. E. Long, North Battleford, Sask.; J. J. Cochrane, Kerrobert, Sask.

PROFIT AND LOSS ACCOUNT
Years Ended December 31

	1929 $	1928 $	*1927 $
Net earnings	206,458	180,002	157,560
Less: Int.	153,249	138,013	104,345
Net profits .	53,209	41,989	53,215
Less: Pref. and Amal. "A" divs. ...	48,441	49,001	49,560
	4,768	7,012	3,655
Add: Adj. surplus for year ..	......	8,598	......
Goodwill, writ. on	......	......	599,999
	4,768	1,586	603,654
Prev. sur ...	5,086	3,500	†600,154
Carr. fwd. .	9,853	5,086	3,500

*Ten months from March 1, 1927.
†Deficit.

Canada Dairies

Reports Increasing Business in 1930—Liquidating National Milk

Canada Dairies is the result of the consolidation of seven Toronto dairies in November, 1928.

In 1929 an arrangement was made to take over National Milk Products at Gananoque, Ont., but that project was later abandoned. National Milk Products is now in course of liquidation.

The company reports increasing business in 1930.

Capitalization—	Authorized	Issued
Pref. 7% cum. .. ($100 par).	$1,750,000	$500,000
Common (n.p.v.) .	75,000 shs.	31,000 shs.

Dividends—
Preferred—7 per cent per annum, cumulative, payable 1st Feb. May, Aug. and Nov.

Funded Debt—
6½ per cent first mortgage bonds of National Milk Products Co., due 1946, issued $150,000. Assumed by Canada Dairies in 1929. In December, 1929, owing to default in bond interest and sinking fund, the National Trust Co. was appointed receiver for the bondholders.

Officers and Directors—
John E. Russell, pres.; H. W. Taylor, F. W. Scriven, F. Wellington Hay, F. H. Bidgood, Gideon Grant, Thomas Price, mgr. dir.

Silverwood's Dairies

Growing Business Secures Complete Coverage in Central and Western Ontario

Silverwood's Dairies and its subsidiaries conduct a growing business which has almost a complete coverage over Western and Central Ontario. It was estimated earlier in the year that total turnover for the organization in 1930 would be $10,000,000.

The principal business of the company is in dairy products, ice cream, butter, ice and cold storage. It was reported that ratio of earnings to dividend requirements is being maintained at 2½ to one. The first published statement of the company, though uncertified by auditors, indicates working capital position to be good and total assets of $5,310,721.

Capitalization—	Authorized	*Outstanding
7% cum. pref. ... ($100 par)	$5,000,000	$3,326,800
6% cum. pref. .. ($100 par	5,000,000	....
Class "A" com. (no par value).	975,000 sh.	113,305 sh.
Common .... (no par value).	25,000 sh.	25,000 sh.

7% and 6% Preferred—Preferred as to capital and dividends. Convertible into Class "A" common on the following basis: 3½ Class "A" for 1 preferred to July 15, 1930; 3 for 1 to July 15, 1931; 2½ for 1 to July 15, 1932; 2 for 1 to July 15, 1933. Entitled to elect 2 directors of the company, 7% is callable at 110.
Class "A" Common — Participates equally with common stock for dividends and assets, but is non-voting.
*As at April 5, 1930.

Dividends—
7% Preferred—7% per annum, cumulative, payable quarterly, 1st Jan., Apr., July and Oct.
Class "A" and Common—Present rate $1 per share per annum, payable quarterly, as preferred. No 6% Preferred issued.
Initial dividend on all three classes of issued stock paid Oct. 1, 1928, and quarterly since.

Funded Debt of Company and Subsidiaries:
7% First Mtge. Bonds, due 1937; outstanding, $179,000.
6½% First (closed) Mortgage Sinking Fund Bonds of Silverwood's Niagara Dairy, Ltd., due 1943, outstanding, $72,500.
6½% First (closed) Mtge. Sinking Fund Bonds of Silverwood-Burke Dairy, Ltd.; outstanding, $100,000.

Officers and Directors—
Officers—A. E. Silverwood, pres. and gen. mgr.; W. E. Robinson, vice-pres.; Geo. H. Belton, 2nd. vice-pres.; J. H. Duplan, asst. gen. mgr.; J. H. Gillies, sec.-treas.; London, Ont.
Directors—A. E. Silverwood, W. E. Robinson, Geo. H. Belton, R. G. Ivey, London, Ont.; E. K. Reiner, Wellesley, Ont.; E. W. Nesbitt, Woodstock, Ont.; W. H. Carruthers, Toronto, Ont.

Earnings—
Net income available for dividends (subject to audit) for 3 months ended June 30, 1930, after deducting depreciation and all other charges, was $131,905. For the same period during the three previous years: 1929, $87,209; 1928, $55,248; 1927, $44,362.

Eastern Dairies

Wide Expansion Strengthens Position of Large Dairy Company

Eastern Dairies, Ltd., operates a comprehensive dairy business in Ontario, Quebec and Manitoba. Formed in 1926 to acquire the Elmhurst Dairy, Ltd. in Montreal, the company has expanded rapidly. Its most recent acquisition was the Farmer's Dairy, Ltd., in Toronto, control of which was acquired at a cost of $2,520,000.

This company was consolidated with another subsidiary, Acme Dairy, Ltd., in 1929, the two becoming merged under the title Acme-Farmer's Dairy, Ltd.

All the dairy companies acquired and operated by the company have been consolidated under four main plants namely, Elmhurst Dairy Ltd.; the Producers Dairy, Ltd., serving Ottawa and surrounding territories; Crescent Creamery Co., operating in Winnipeg, and Acme-Farmer's Dairy serving Toronto and Hamilton.

Earnings have shown gains and the common stock was recently placed on a dividend basis.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	200,000 shs.	74,099 shs.
Pref. 7% cum., ($100 par., red. aat 105)	$5,000,000	$2,500,000

Funded Debt—
6 per cent first collateral trust convertible bonds, due 1949, outstanding $3,000,000. Each $500 bond is convertible into common shares, up to May 1, 1939, as follows: 8 shares to May 1, 1934; 7 to 1936; 6 to 1938;; 5 to 1939.

Dividend Record—
Preferred 7 per cent per annum, cumulative, payable quarterly Jan., April, July and Oct. 15. Paid regularly.
Common—Present rate $1 per share per annum. Initial quarterly dividend declared payable Nov. 1, 1930.
Officers—W. R. Aird, pres. and man. dir.; P. A. Thomson, vice-pres.; E. W. King, sec.-treas.
Directors—W. R. Aird, A. J. Nesbitt, C. B. Price, P. A. Thomson, H. R. Trenholme, all of Montreal.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years ended March 31

	1930 $	1929 $	1928 $
Net earnings	724,987	432,258	350,451
Other inc.	......	34,543	63,060
Total	724,987	466,801	413,511
Less: Bond int.	158,096	......	......
Depreciation ..	200,000	175,000	164,382
Bond exp.	839	......	......
Net profit	366,052	291,801	249,129
Less: Pref div.	†279,682	‡244,573	‡229,113
Surp. for year ..	86,370	47,228	20,016
Add: prev. surp.	77,610	34,107	19,599
Less: Adjust. ..	3,591	3,726	......
Inc. tax	*6,946	......	**5,509
Bal. forward§	153,442	77,610	34,107

*Income tax for 1928; **for 1927.
§Subject to income tax.
†Includes dividends on Crescent Creamery Co., and Acme Farmers Dairy, Ltd.
‡Includes dividends on Crescent Creamery Co.

Earnr. per Sh. and Div. Record:

Pref., earned	$8.86	$8.34	$7.12
Paid—Acme Far.	7.00	...	...
Cresc. Cream.	7.00	7.00	5.25
East. Dairies	7.00	7.00	7.00
Com., earned†	1.16	0.64	0.29
None paid.			

†Before income tax; calculated on combined preferred shares of company and subsidiaries then outstanding.

Marrket Record—

	*1930 H	L	1929 H	L	1928 H	L
Com.	29	19	60	17	60¾	35

*To October 6.

Crescent Creamery
(Subsidiary of Eastern Dairies)

Capitalization—	Authorized	Outstanding
Pref. 7% cum., (par $100)	$1,450,000	$975,000
Com. (n.p.v.) ..	50,000 shs.	50,000 shs.

Common all owned by parent company.

Funded Debt—
None.

Dividend Record—
Preferred 7 per cent per annum, payable quarterly, Jan., April, July and Oct. 15. Paid regularly.

ACME FARMERS' DAIRY
(Controlled by Eastern Dairies)

Capitalization—	Authorized	Outstanding
Common (n.p.v.) .	150,000 shs.	83,420 shs.
Pref. 7% .... $100 par, non-cum.	$750,000	$655,000

All outstanding common shares owned by Eastern Dairies, Ltd. Preferred stockholders unaffected by purchase of common stock.

Funded Debt—
None.

Dividend Record—
Preferred 7% per annum, payable half-yearly, Feb. and August 10. Paid regularly.

Officers and Directors—
Officers—Hon. G. S. Henry, pres.; J. G. Connell, vice-pres.; L. W. Fegan, sec.
Directors—Hon. G. S. Henry, Todmorden; J. S. Cornell, Scarboro; O. D. Bales, Lansing; A. J. Reynolds, Hampton; W. J. Bragg, Bowmanville; R. M. Holtby, Port Perry; G. H. McKenzie, Toronto; R. M. Loveless, Agincourt.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Pref.	100	97	107	100	110	104

*To Oct. 6.

United Dairies

United Dairies is a consolidation of three companies controlling 28 creameries in Southern Alberta and in British Columbia. The head office is Calgary.

Capitalization—	Authorized	Issued
1st pref. 6½% .... (Par $100).	$1,000,000	$750,000
2nd pref. 6% ..... (Par $100).	400,000	400,000
Common	50,000 shs.	50,000 shs.

First Preferred—6½% cumulative from Jan. 1, 1929; preferred as to assets and dividends; callable at 105 until Jan. 1, 1934; at 104 until Jan. 1, 1939; and at 103 thereafter; sinking fund of 2% of outstanding first preferred shares annually. Common issued as bonus at the rate of one share common with each share first preferred purchased.

Funded Debt—
None.

Dividend Record—
First preferred, 6½% per annum, cumulative from January, 1929; second preferred, 6% cumulative; both payable July and January 1. Common: Initial dividend of 25c paid Jan. 2, 1930.

Officers and Directors — J. W. Carlyle, pres.; T. M. Carlyle, vice-pres.; E. Richardson, sec.; Dr. T. E. Hays, W. N. Henderson and D. P. Carlyle.

Highland Dairy

Highland Dairy is a new Toronto company formed in 1930 to take over the Hancock and Crescent dairies. Executives of the company have had considerable experience in the dairy business in Toronto and elsewhere.

Capitalization—	Authorized	Outstanding
Preferred .... Par $100.	5,000 shs.	1,865 shs.
Common .... No par value.	*30,000 shs.	15,145 shs.

*10,000 shares are reserved for the conversion of the preferred.
Preferred is convertible at the option of the holder into common stock on the basis of 2 shares of common for 1 share of preferred stock.

Funded Debt—
None.

Dividend Record—
Preferred 7% per annum, cumulative, payable quarterly Jan. 2, Apr. 1, July 2, and Oct. 1.

Officers and Directors—
Officers—W. L. Knowles, pres.; F. F. Appleton, vice-pres.; R. J. MacDonald, man. dir.

Directors—
Directors—W. L. Knowles, Windsor; F. F. Appleton, R. J. MacDonald, A. H. Stephenson, F. T. Stronach, G. Stronach.

Citizens Dairy

Citizens Dairy owns and operates dairies at Belleville (the head office) Whitby, Havelock and Tweed, Ont. The company markets its products through its own sales staff.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. .... (Par $100).	$300,000	$125,000
Common .... (No par value).	10,000 shs.	3,900 shs.

Funded Debt—
None.

Dividends—
Preference—7 per cent cumulative, payable quarterly.

Officers—
H. W. Ackerman, pres.; R. Templeton, vice-pres.; H. J. Clarke, man. dir.

National Milk Products

National Milk Products Co., Gananoque, defaulted its bond interest in December, 1929. It is understood that the receiver so far has been unable to improve the outlook for the company.

Crescent Creamery

Crescent Creamery Co., Winnipeg, was acquired by Eastern Dairies in 1927.

Safeway Stores

Canadian investors in 1930 were offered $6 per cent preferred shares of Safeway Stores, Inc., a chain which has been operating successfully in the United States west of the Mississippi river. Preferred dividends are earned by a wide margin.

Capitalization—	Authorized	Outstanding
Pref. 6% .... Par $100.	$6,000,000	$5,915,000
Pref. 7% .... Par $100.	5,000,000	4,598,400
Unclassified into series .... Par $100.	4,000,000	......
Common	*1,500,000 shs.	644,333 shs.

*64,364 shares reserved for exercise of warrants and 8,608 shares reserved for dividend payable in common stock or cash on Jan. 1, 1930, and for subscription by warrant holders.

Officer—
M. B. Skaggs, pres.

M. & P. Stores

M. & P. Stores is a chain of 40 grocery stores operating in the Border Cities area. The management is reputed to be competent.

Capitalization—	Authorized	Issued
1st pref. 7% cum. .. ($100 par).	$200,000	$200,000
2nd pref. 7% cum. .. ($100 par).	30,000	30,000
Common (n.p.v.) ..	50,000 sh.	10,000 sh.

First preferred—Redeemable at 110. Convertible into three shares of common up to Jan. 1, 1933, the conversion to apply whether or not the shares to be converted have been called for redemption.

Dividends—
First preferred—7 per cent per annum, cumulative, payable quarterly, 1 Jan., Apr., July and Oct.

Funded Debt—
None.

Officers and Directors—
A. H. Simpson, pres.; T. T. Mailloux, vice-pres.; R. J. Cooper, A. W. McLennan, Chas. McTague.

Quinte Milk Products

Directors of Quinte Milk Products deemed it advisable to pass the preferred dividend in July. The company operates at Wellington, Ont.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. ..... (Par $100).	$200,000	$200,000
Common .... (No par value).	6,000 shs.	6,000 shs.

Funded Debt—
None.

Dividend Record—
Preferred, 7% cum., payable April and October 1.

Officers—
W. Lloyd Wood, Sr., pres.; Lloyd Wood, Jr., gen. man.

Canada's Largest Retail Grocers . . . and . . . the Largest Canadian Retail Grocers

DOMINION STORES

Contribute Millions To Canadian Prosperity

WHEN you do your marketing at one of the five hundred and fifteen cheery and spotlessly neat red-fronted Dominion Stores so conveniently situated "everywhere" in Ontario, Quebec and the Maritime Provinces, you are patronizing an All-Canadian organization which is working hand in hand with all other Canadians to build up the prosperity and greatness of this country The many hundreds of employees in our stores, warehouses and bakeries draw annually a payroll in excess of $2,000,000, all of which is ploughed back into Canadian trade Many millions of dollars' worth of Canadian manufactured food products, of Canadian agricultural and dairy products, are marketed annually through Dominion Stores —swelling the prosperity of hundreds of Canadian factories and countless Canadian farms Dominion Stores, Ltd., is a self-contained organization unassociated with any other chain or group. It has no stores outside of Canada. It is an All-Canadian organization, of, by, and for, Canadians and the Dominion.

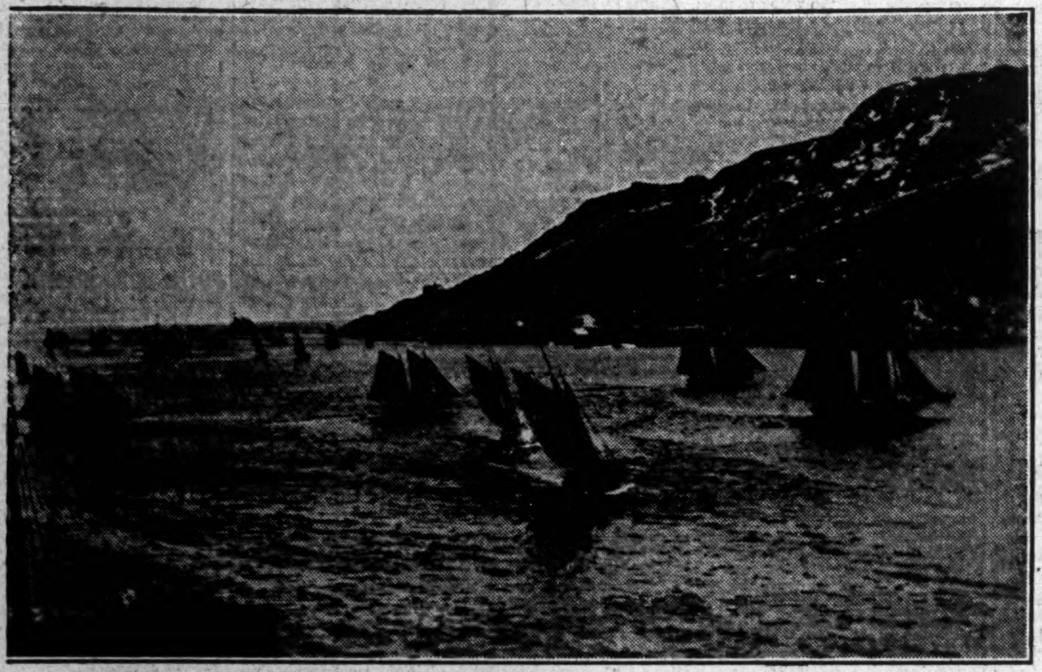
DOMINION STORES
LIMITED

"Our Address Is 'Everywhere'"
In Ontario, Quebec and the Maritimes

Toronto, 100 Stores—Windsor, 28 Stores—Hamilton, 26 Stores
Ottawa, 26 Stores—London, 13 Stores
Elsewhere Throughout Ontario, 153 Stores
In Quebec and the Maritimes, 169 Stores
Total, 515 Stores

No Stores Outside of Canada—A Purely Canadian Institution—Head Office: Toronto

NEWFOUNDLAND

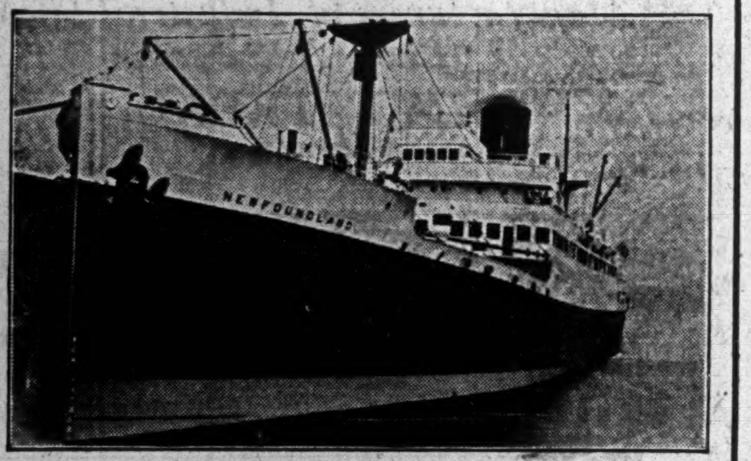


Hardy Fishing Fleet returning from the Grand Banks

FISHERIES FAMOUS FOR THREE HUNDRED YEARS

THE immense productivity of Newfoundland's fisheries has been the backbone of the Ancient Colony's wealth. For over three centuries these fisheries have been drawn upon for great quantities of fish annually, yet, despite the gradual depletion in other sections of the world, the Newfoundland fisheries still yield bountifully.

The fishing areas of Newfoundland are roughly divided into three fields—the Newfoundland off-shore fisheries, the fisheries off the Labrador coast, and the fisheries on the Grand Banks. The latter, one of the most notable fishing grounds in the world, is situated about 200 miles south-east of the Island where the meeting of the Arctic current and the Gulf Stream provides an endless supply of fattening food for the codfish. Fish are exported to Italy, Spain, Portugal, Brazil, the West Indies, Canada and Great Britain, besides many other countries. The Grand Banks is an important source of codfish, which is largely treated and dried for export purposes.



One of the ocean going vessels linking Newfoundland with the markets of the world.

A Typical Cargo La ded in New York Recently from Newfoundland

8,000 cases blueberries	47 cts. huckleberries
2 cases lobsters	1 barrel codfish
100 barrels lingon berries	50 sacks cod liver oil meal
3,000 cases blueberries	63 barrels cod liver oil
40 boxes blueberries	30 barrels blueberries
211 barrels blueberries	20 barrels blueberries
100 barrels blueberries	150 barrels blueberries
50 barrels lingon berries	10 barrels cod liver oil
25 cases lobster	400 barrels cod liver oil
90 barrels cod liver oil	4 cases fillets

Research to Improve Methods and Markets

To provide for the steady expansion and progress of the Newfoundland fishing industry, a comprehensive plan has been worked out by which the natural advantages enjoyed by the industry in the Island Dominion will be utilized to their greatest advantage through systematic scientific research.

The Empire Marketing Board has undertaken to supply a capital sum of $25,000 and yearly grants of $25,000 and the Newfoundland Government will appropriate similar sums. The present plan calls for five years of intensive research into the fisheries of Newfoundland together with advertising of Newfoundland's fisheries products (of which, of course, cod liver oil is only one) in the United Kingdom. The research work will begin in connection with cod liver oil. Other problems to be studied in this research effort will be new methods of refrigeration and storage, methods of canning, conservation of salmon, etc.

Salmon Industry Has Great Future

Several years ago fresh Newfoundland salmon were satisfactorily put on the London market in such excellent condition that a company of expert tasters, gathered in London for a sample testing at the greatest fish restaurant in the world, were unable to distinguish it from fish just taken from the water.

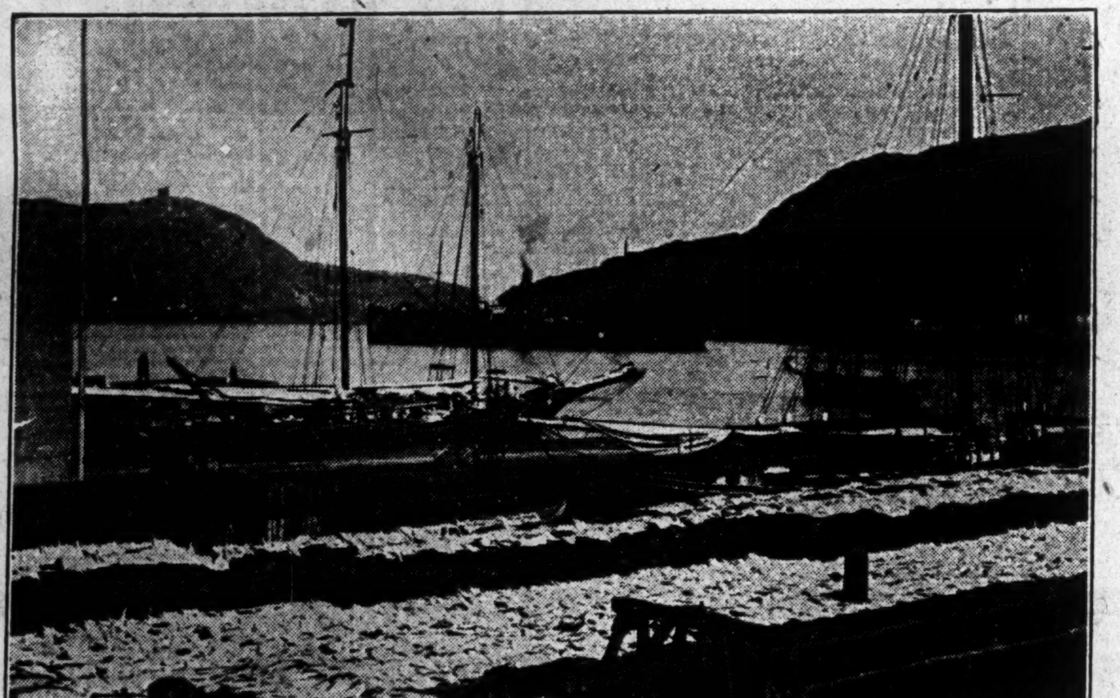
The salmon catch this year has been most successful and over 4½ million pounds were exported to England. This industry is just beginning. So far the possibilities of Newfoundland have scarcely been tapped. Expansion particularly is favored by the closeness of Newfoundland to New York, London and Montreal, whose large trade could almost wholly be secured. There are no salmon in the sea like the crisp, fat fish of the Labrador current, all of which are caught in salt water in gill nets.

Newfoundland Cod Liver Oil Best in World

Newfoundland refined cod liver oil is gaining for itself a high place in the markets of the world. It is today ranked as the oil of highest therapeutic value among all the cod liver oils produced. No better authority could be quoted than Dr. J. C. Drummond, Chairman of the British Medical Research Council, who stated that summer-made Newfoundland cod liver oil has five times the vitamin potency of winter-made Norwegian cod liver oil. The value of cod liver oil is wholly in its vitamin potency.

Luscious Newfoundland Blueberries

With increased facilities for freezing, the export of frozen blueberries is rapidly becoming an important item. Newfoundland blueberries are large and luscious and their export in the chilled state has reached proportions of a very large business. Approximately 750,000 gals. will be shipped mostly to the United States this year, where they are very popular, especially in New York.



Busy St. John's Harbour, showing cod drying on the wharves.

VARIETY OF FOOD EXPORTS OF HIGH QUALITY

(For Year Ended June 30th, 1929)

THE quality of Newfoundland fishery products is unsurpassed in the world. The cold waters and the abundant virgin food supply for the fish are responsible largely for this fact. The adoption of modern methods has been a large factor in widening markets and stimulating new demand.

	Value
Berries	$ 432,721.00
Caplin	10,185.00
Codfish	12,122,853.00
Haddock	35,770.00
Fresh Halibut	49,129.00
Herring	577,044.00
Lobsters	345,616.00
Cod Liver Oil	990,895.00
Salmon	293,642.00

For Further Information Apply

GOVERNMENT OFFICES ST. JOHN'S, NEWFOUNDLAND

Brewing and Distilling Companies

National Breweries

Leading Brewing Company Makes Further Progress This Year

National Breweries, Ltd., is the leading brewing organization in the Dominion. The company dominates the Quebec market and is increasing its distribution in Ontario.

Plants are located at Montreal, Quebec, Beauport and St. Therese, Que. In 1929, extensive additions were made to the Montreal plant and a new garage, stable and storage building was erected. The company is presently engaged in building a large addition to its existing office structure.

National Breweries has established record of earnings and dividends while a four for one split in the common stock in 1929 has effected a wider distribution of the shares.

Take in "B"

Capitalization—

	Authorized	Outstanding
Common .... (No par value).	960,000 sh.	721,372 sh.
Pref. 7% cum. ... (Par $25).	$4,000,000	$2,775,000

On Dec. 30, 1929, shareholders approved the splitting of both classes of stock on a four-for-one basis, decreasing the par value of the preferred to $25, and increasing the outstanding common shares to 721,372 shares.

Funded Debt— None.

Dividend Record—
Preferred—7 per cent per annum, paid quarterly, Jan., April, July and Oct. 1, since incorporation.
Common—$1.60 per share per annum, payable quarterly, Jan., April, July and Oct. 1. Initial dividend at this rate was paid April 1, 1930.
Previous rate was $4.00 per annum per share before the four-for-one split.

Officers and Directors—
Officers—Norman J. Dawes, pres. and man. dir.; J. D. Hudson, vice-pres. i/c finances and purchases; Kenneth T. Dawes, vice-pres. i/c sales; Lionel A. Ekers, vice-pres. i/c production; C. E. A. Boswell, vice-pres. i/c Quebec plant; A. D. Johnston, sec.-treas.
Directors—Norman J. Dawes, J. D. Hudson, Kenneth T. Dawes, A. W. Buchanan, K.C., Gordon C. Cushing, Brig.-Gen. W. H. Dodds, Lionel A. Ekers, Frank P. Jones, Hon. Donat Raymond, Julian C. Smith, Montreal, P.Q.; C. E. A. Boswell, Quebec, P.Q.

INCOME AND SURPLUS ACCOUNT
Years ended December 31

	1928 $	1928 $	1927 $
Net earnings	2,346,411	2,278,267	1,957,807
Less: Deprec.	469,819	444,210	428,675
Bond int.	......	28,205	62,433
Prem. on bonds red.	......	50,025	......
Net profit	1,876,592	1,755,827	1,466,699
Less appropriations:			
Pref. divds.	194,250	194,250	194,250
Com. divds.	721,372	721,372	721,372
Gen. res.	......	300,000	200,000
Surp. for year	960,970	540,205	351,077
Add: Pr. surp.	3,677,031	3,136,826	2,785,749
Bal. car. for.	4,638,001	3,677,031	3,136,826
Times Int. Earned:			
Before depr.	...	80.78	31.36
After depr.	...	65.03	24.49
Earn. per Sh. and Div. Record:			
Preferred:			
Earned†	$67.61	$63.27	$52.85
Earned‡	16.90	15.82	...
Paid	7.00	7.00	7.00
Common:			
Earned†	9.33	8.66	7.05
Earned‡	2.33	2.16	...
Paid	4.00	4.00	4.00

† Based on the number of shares outstanding at the end of fiscal years.
‡ Based on the number of shares outstanding upon completion of the four-for-one exchange of shares which was completed early in 1930.

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1922	$1,264,674	$ 554,938	$2,462,592
1923	1,029,704	554,938	2,672,267
1924	1,072,897	554,938	2,904,871
1925	405,385	374,594	2,616,408
1926	1,403,690	915,564	2,785,749
1927	1,957,807	915,622	3,136,826
1928	2,278,267	915,622	3,677,031
1929	2,346,411	915,622	4,638,001

Market Record—

	High †*1930	Low †*1930	High 1929	Low 1929	High 1928	Low 1928
Com.	35½	26½	130	110	154	112½
Pref.	32	25	153	100	130	122

* To October 7.
† New stock.

FRONTENAC BREWERIES
(Controlled by National Breweries)

Capitalization

	Authorized	Issued
Common Par $100.	$1,500,000	$910,000
Preferred Par $100.	500,000	375,000

Funded Debt—
First mortgage 6 per cent bonds, due 1951, outstanding $933,500.

Dividend Record—
Preferred—7 per cent per annum, payable quarterly, Jan., April, July and Oct. 1. No preferred dividends have been paid since 1926.
Common—None to date.

Officers and Directors—
Officers—Paul Joubert, pres.; Pierre Beaubien, vice-pres. and mgr.; J. A. Desrochers, C.A., sec.-treas
Directors—Paul Joubert, Joseph Ethier, Paul Galibert, A. A. Grothé, Joseph Daoust, Joseph Versailles, Montreal, P.Q.; Pierre Beaubien, Outremont, P.Q.

Canadian Wineries

Achieves Success After Shake-Up—Aggressive Plans for Future

Canadian Wineries, Limited, made definite progress during the past year. There was a change of management, a reorganization of the company's administrative machinery, a scaling down of the balance sheet to represent realities and an increase in earnings for 1929. The present year marks the introduction by the company for the first time in Canada of sparkling wines, similar to those produced in France, Italy and Germany, but made entirely from Canadian fruit. The new wines are being produced at the Oakville plant of the company. Definite improvement in quality and sales of other wines is also reported.

Capitalization—

	Authorized	Issued
Common .... (No par value).	200,000 sh.	100,000 sh.

Funded Debt— None.

Dividend Record—
Common, 50 cents per share per annum, payable quarterly, Jan., April, July and Oct. 15.
Initial quarterly dividend of 12½ cents per share paid July 15, 1929. Paid regularly since.

Officers and Directors—
Officers—F. W. Lee, pres. and gen. mgr.; K. H. Smith, vice-pres. and treas.; George H. Sedgewick, sec., Toronto.
Directors—H. G. Acres, Niagara Falls, Ont.; S. R. MacKellar, W. B. Milner, K. H. Smith, G. H. Sedgewick, Toronto, Ont.; F. W. Lee, Port Credit, Ont.; John Ball, Niagara Falls, Ont.

CONS. INCOME AND SURPLUS ACCOUNT

	Year Ended Apr. 30, 1930 $	Period from Jan. 1, 1928 to Apr. 30, 1929 $
Net earn. from oper. ...	121,228	138,040
Less: Depreciation	29,295	35,599
Income tax	6,500	7,729
Net profit	85,433	94,712
Less appropriations:		
Dividends	50,003	......
Surplus for period	35,430	94,712
Add: Previous surplus..	*55,006	......
	90,436	94,712

*After adjustments of $39,706.

Earnings Per Share and Dividend Record:

Common: Earned	.85	.95
Paid	.50	..

Market Record—

	H *1930	L *1930	H 1929	L 1929	H 1928	L 1928
Common	6⅝	3⅝	11¾	4	21½	8½

*To Oct. 6.

Hiram Walker-Gooderham & Worts

Company Retains Millions to Finance Expansion as Opportunity Offers

Hiram Walker-Gooderham & Worts, Limited, which was incorporated under Dominion laws in 1926, controls and operates Hiram Walker & Sons, Ltd., and Gooderham & Worts, Ltd., distillers, maltsters and millers. Its products include matured spirits and commercial alcohols.

The plants of the subsidiary companies have a capacity output of about 11,000,000 Imperial gallons of spirit. The company as of August 31 had in store in its warehouses 14,500,000 Imperial gallons of spirits.

During 1929 the company completed a new plant at Toronto for the distillation of commercial alcohol. Apparatus for the production of anhydrous (absolute) alcohol was installed. The company also manufactures carbonic acid gas and carbon dioxide, by-products of the company's distilleries, to sell to the soft drink industry in carbonating soda waters, ginger ale, and so on.

The company purchased during the year a substantial proprietary interest in "Stodardt's Rare Old Highland" and "Gaelic Old Smuggler," two brands of Scotch whiskey bottled and blended respectively by James and George Stodart, Limited, and the Sterling Bonding Co., Limited. The company still retains the major part of the $10,000,000 provided last year by sale of stock to finance expansion.

Capitalization—

	Authorized	Outstanding
Common ...... (No par value.)	3,500,000 sh.	2,640,000 sh.

Dividend Record—
Present rate, $1 per share per annum, payable quarterly, Mar., June, Sept. and Dec. 15. Prior to the stock split, $1.50 per share was paid on old stock in fiscal year ending Aug. 31, 1928; $2.25 for three-quarters to March 15, 1929.

Funded Debt— None.

Officers and Directors—
Officers—H. C. Hatch, chm. board of directors; W. J. Hume, pres. and gen. mgr.; F. Wellington Hay, vice-pres.; Fletcher Ruark, sec. and treas.
Executive Committee—H. C. Hatch, W. J. Hume and F. K. Morrow.
Directors—H. C. Hatch, F. K. Morrow, J. F. Lash, E. D. Gooderham, W. H. Mara, H. F. Marriot and W. S. Rainer, Toronto; W. J. Hume, Walkerville; F. Wellington Hay, Listowel; Duncan Macleod, Glasgow, Scotland.

CONSOLIDATED INCOME & SURPLUS ACCT.
(Years Ended August 31)

	1930 $	1929 $	1928 $
Net profit	2,757,164	4,117,668	3,442,378
Less appropriations:			
Dividends ...	2,640,000	1,971,249	957,203
Surplus for year*	117,164	2,146,419	2,485,175
Add: Prev. surplus ...	7,084,173	5,156,283	2,671,108
Less: Income tax for prev. year	332,859	218,528	......
Balance	6,868,478	7,084,174	5,156,283

*Before provision for income tax.
† Before providing for dividends payable September 15, $660,000.

Earnings Per Share and Dividend Record:

	1929	1930
Common:		
Earned (based on the number of shares outstanding at the end of the fiscal year	1.56	1.04
Paid	*2.50	1.00

*Consisting of $2.25 on old stock and 25 cents on the new stock.

Market Record—(Calendar Year)—

Common:	*1930	‡1929	1928
High	13¾	28½	91
Low	6	6	61½

*To Oct. 6.

Assoc. Breweries

Occupies Good Position in Respect to Prairie Market

Associated Breweries of Canada, was formed in 1928 to acquire control of Lethbridge Breweries, New Edmonton Breweries, Regina Brewing Co. and Prince Albert Brewery. The combined capacity of the four plants is 350,000 barrels a year.

Operations of the company are confined to domestic sales; distribution of beer in Saskatchewan and Alberta is carried out in a manner which militates against price cutting. The company also has an interest in several hotels.

Sales are reported to have shown a decline this year.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum. .... Par $100	$300,000	$150,000
Common .... No par value	16,500 shs.	15,000 shs.

Funded Debt— None.

Dividend Record—
Preferred 7% per annum, cumulative, payable quarterly Jan., Apr., July and Oct. 1.

ASSOCIATED BREWERIES

Capitalization—

	Authorized	Outstanding
Com. (no par) ..	400,000 shs.	224,600 shs.
Pref. 7% cum. .. ($100 par)	$1,500,000	$1,400,000

Funded Debt— None.

Dividends—
Preferred—7 per cent per annum, payable quarterly, April, July, Oct. and Jan. 1. Cumulative from Oct. 1, 1928. Initial dividend paid Jan. 1, 1929.
Common—$2 per share per annum, payable quarterly March 31, June 30, Sept. 30, and Dec. 31. Initial dividend of 25 cents per share paid Jan. 1, 1929. Increased to 50c beginning on June 30, 1929.

Officers and Directors—
Officers—Fritz Sick, pres.; L. M. Johnstone, K.C., vice-pres., Lethbridge; E. G. Sick, man. dir.; J. G. Walford, sec.-treas., Calgary.
Directors—Fritz Sick, L. M. Johnstone, K.C., R. J. Chiswick, Lethbridge; Emil G. Sick, Calgary; R. H. P. Ker, Victoria, B.C.; Lt.-Col. E. G. Hanson, D.S.O., Montreal; W. H. Sheppard, A. E. Raue, Edmonton, Alta.; William Hutton, J. C. Malone, George H. Whitmore, Regina.

INCOME AND SURPLUS ACCOUNT

	Year Ended Dec. 31, 1929 $	5 Mos. Ended Dec. 31, 1928 $
Net rev. from invest., includ. div. rec. from constituent and other companies, after providing for management, administration, and all other expenses and income tax	836,683	351,795
Less appropriations:		
Dividends:		
Preferred	104,125	*26,250
Common	390,750	*54,232
Surplus for period	341,808	271,313
Add prev. surplus ..	271,313	......
Balance carried forw.	613,121	271,313

*First quarterly dividends.

Earnings Per Share and Dividend Record:

Preferred: Earned ..	$57.01	$23.45
Paid	7.00	1.75
Common: Earned ..	3.26	1.50
Paid	1.75	.25
Shares Outstanding as at December 31:		
Preferred	14,500	15,000
Common	224,600	216,925

Market Record—

	H *1930	L *1930	H 1929	L 1929	H 1928	L 1928
Common ..	18	9½	34	17½	25	15¼
Preferred .	95	82	99	85	98	93

*To October 6.

Penelope Candy

Penelope Candy was a Toronto promotion two years ago which has not been carried through. It is stated that no stock has been issued. No stores have been opened.

Distillers-Seagram

Position Maintained Though New Legislation Reduces Profits on Sales

Distillers Corp.-Seagrams, Ltd., has made satisfactory progress since its inception in 1928. The company is a subsidiary of Distillers Co., of Scotland and is one of the leading distilling organizations in Canada. Its plant in Montreal has a productive capacity of about 4,000,000 gallons a year, and its Waterloo unit is capable of producing about 1,000,000 gallons a year. The combined bottling capacity of the two plants is approximately 3,500 cases a day.

The company has a contract with Distillers Co., of Scotland, covering importation of Scotch whiskys and gin and the right to blend and bottle these brands, for the Canadian and export trade.

Capitalization—

	Authorized	Issued
Common ...... (No par value).	2,000,000 sh.	1,500,006 sh.

Funded Debt— None.

Dividend Record—
$1 per share per annum, payable 15th Feb., May, Aug. and Nov. First regular quarterly dividend paid Nov. 15, 1929. An initial interim dividend of 25c. per share was paid Oct. 15, 1928.

Officers and Directors—
Officers—William H. Ross, O.B.E., pres.; Samuel Bronfman, vice-pres.; Allan Bronfman, sec.; H. F. Glass, comptroller.
Directors—William H. Ross, O.B.E., Edinburgh, Scotland; Samuel Bronfman, Allan Bronfman., Montreal; William B. Cleland, Hamilton, Ont.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
(Periods, Mar. 2 to July 31, 1928; and Aug. 1, 1928 to July 31, 1929)

Earn. from oper., Mar. 2-July 31, 1928	$533,588
Earn. from oper., Aug. 1, 1928-July 31, 1929	2,562,324
Total net earn., Mar. 2, 1928 to July 31, 1929	3,095,912
Less:	
Interest on loans & advances, Aug. 1, 1928 to July 31, 1929	160,051
Depreciation, Aug. 1, 1928 to July 31, 1929	114,307
Organization expense, Mar. 2 to July 31, 1928	25,358
Income tax, Mar. 2 to July 31, 1928	37,320
Net profit for period Mar. 2, 1928 to July 31, 1929, subject to income tax for year ended July 31, 1929	2,758,876
Less appropriations:	
Common divd. Oct., 1928	375,002
Balance carried forward	$2,383,874
Earnings Per Share and Dividend Record:	
Common:	
Earned†	$1.84
Paid	.25

Market Record—

	H *1930	L *1930	H 1929	L 1929	H 1928	L 1928
Common	12¼	7⅞	28¾	8	24¼	13

†During period March 2, 1928 to July 31, 1929. In the twelve months ended July 31, 1929, the common shares earned $1.52 per share before provision for income tax for that period.
*To Oct. 6.

Brewers & Distillers

Brewers & Distillers of Vancouver, which brews beer and distills whisky through subsidiaries, B. C. Breweries and B. C. Distillery Co. and Pioneer Distillers (Windsor), had 4,144,250 gallons of spirits on hand at the end of 1929.

Working capital is sufficient though most of the current assets are in inventory rather than in cash. Banking indebtedness was $1,473,037 at end of 1929. Dividends have been dropped since the middle of July, 1929.

Capitalization—

	Authorized	Outstanding
Common .... (No par value)	7,500,000 shs.	*5,777,478 shs.

*312,362 of the issued shares are held by subsidiaries and are not shown as outstanding. All the capital stock is held in a voting trust, dated Jan. 1, 1926; all directors of the company act as trustees.

Funded Debt— None.

Dividend Record—
Initial dividend of 10c per share paid on new stock Jan., 1928; 5c Aug., 1928; 10c paid Jan. 15, 1929, and 5c July 15, 1929. None since.

Officers and Directors—
Officers—Henry Reifel, pres.; G. W. Twittey, sec.; J. B. Taylor, asst. sec.-treas.
Directors—H. Reifel, Vancouver, B.C.; Sir G. L. L. B. Prescott, Bart, London, Eng.; W. H. Furlong, Windsor, Ont.; Col. H. S. Robin, D.S.O., E. M. Yarwood, Major J. C. Ross, M.C.

Consolidated Income and Surplus Account
Years Ended December 31

	1929 $	1928 $
Net earnings	1,192,979	1,107,710
Less:		
Bank int., etc.	72,639	....
Income tax	119,242	148,500
Depreciation..	134,701	114,447
Minority int. in sub.	......	1,109
Net profit	866,397	843,654
Less appropriations:		
Dividends paid	831,584	734,760
Surplus for year	34,813	108,894
Add: Prev. surplus ..	†1,642,560	†1,532,557
Bal. carried forward ..	1,677,373	1,641,451

†Adjusted. Excise duties and other charges applicable to prior years.

Times Interest Earned:		
Before depreciation .	16.42	...
After depreciation ..	14.57	...
Earnings Per Share and Dividend Record:		
Earned	.15	.15
Paid	.15	.15

Market Record—

	H *1930	L *1930	H 1929	L 1929	H 1928	L 1928
Common ...	2	1¼	4¾	1¾	4¼	3

*To October 7.

Melchers Distilleries

Melchers Distilleries, Ltd., is reported to have a substantial supply of matured bourbon whisky on hand which it is converting into cash at satisfactory prices. The company also manufactures a Holland gin for which a good market has been built up over a period of years in Quebec.

The distillery, which has a capacity of 2,000,000 gallons a year, is situated at Berchierville, P.Q.

Capitalization—

	Authorized	Outstanding
Class "A" .... ($2 cum.)	100,000 sh.	100,000 sh.
Class "B" .... ($4 non-cum.—n.p.v.)	50,000 sh.	50,000 sh.

Funded Debt— None.

Dividend Record—
Class "A"—$2 per annum, cumulative, payable quarterly, Mar., June, Sept., and Dec. 15. Initial dividend was paid on Mar. 15, 1929, and regularly thereafter.
Class "B"—None paid.

Officers and Directors—
Officers—V. Marchand, pres. and man. dir., J. A. Raymond, vice-pres.; F. W. Roffey, sec.; A. Marchand, treas.
Directors—Victor Marchand, J. A. Raymond, Albert Hudon, L. E. Potvin, J. A. Ouimet, Stanley Johnston, all of Montreal; W. G. Power, Jr., Quebec, P.Q.

PROFIT AND LOSS ACCOUNT
Nov. 1, 1928 to Dec. 31, 1929

Net operating profit*	$390,101
Add: Miscellaneous income	7,126
Less: Proportion of incorporation charges	8,969
Net profit	$388,258
Less dividends:	
Class "A," paid	200,000
Class "B," payable	50,000
Balance carried forward‡	$138,258

*After deducting selling, administration expenses and providing for depreciation.
‡Subject to deduction for income tax.

Earnings per Share and Dividend Record:

Class "A": Earned†	$2.00
Paid	2.00
Class "B": Earned	3.77
Paid	1.00

†The above figure represents the earnings per share on class "A" shares after taking into consideration the participating clauses attached to the class "B" shares. Otherwise, class "A" shares would have earned $3.88 per share.

Canada Malting Co.

Increased Duties Have Given Company Greater Share of Canadian Business

Canada Malting Company's annual report for the year ending August 31, 1930, is expected to show the common stock dividend requirements well covered. The company had serious inroads made upon its business by United States importations earlier in its fiscal year, but increased duties in the spring session of parliament has given it sufficient protection in that way.

With this increased protection, with barley at the lowest point in many years, the company's current position and prospects are regarded as good although the general malting demand at present is a little subnormal.

Plants of the company are at Calgary, Winnipeg, Montreal and Toronto. The Toronto plant was built in 1928 and has an annual capacity of 1,000,000 bushels. Adjoining it is a 750,000 bushel elevator. The total malting capacity in Canada is 5,000,000 bushels a year and the total elevator storage 3,200,000 bushels. The company was incorporated in 1927 to take over the Canada Malting Co., which had commenced business in June, 1900.

Capitalization—

	Authorized	Outstanding
Capital stock ... (No par value)	200,000 shs.	198,972 shs.

Funded Debt— None.

Officers and Directors—
Officers—W. L. Matthews, pres.; H. C. Hatch, vice-pres.; E. S. Clarke, sec.-treas.; A. C. Matthews, man. dir.
Directors—W. L. Matthews, H. C. Hatch, A. C. Matthews, W. H. Mara, E. S. Clarke, L. M. McCarthy, E. G. Long, K.C.; H. S. Michie, E. Ward Wright, all of Toronto.

Dividend Record—
$1.50 per share per annum, payable quarterly, Mar., June, Sept. and Dec. 15. Initial dividend paid Mar. 15, 1928, and regularly to date.

Earnings—
Net earnings after all expenses and making adequate provision for depreciation and buildings and plants and for federal income taxes:

Year ending Oct. 31, 1924	$383,120
Year ending Oct. 31, 1925	364,645
Year ending Oct. 31, 1926	372,287
Nine months ending July 31, 1927	243,075
13 months ending Aug. 31, 1928 ..	386,666
Year ending Aug. 31, 1929	437,925

Earnings Per Share and Dividend Record—

	1929	1928
Common, earned*	$2.20	$1.94
Paid	1.50	0.75

*Based on total issued shares—198,972.

Market Record—

	H 1930*	L 1930*	H 1929	L 1929	H 1928	L 1928
Common	20⅝	15	35	10	43	27⅛

*To October 7.

Pelissier's

Manitoba Company Carries on Brewery in Winnipeg—Can Expand Easily

Pelissier's Ltd., which carries on a brewing business in its plant on freehold property in Winnipeg, has a capacity of 200 barrels a day. This capacity can be increased by 50 per cent at a small expenditure.

Preferred dividends are paid regularly, and company's working capital position was strong on January 31, 1930.

Capitalization—

	Authorized	Outstanding
Preferred .... (Par $100.)	$450,000	$400,000
Common .... (No par value.)	72,500 sh.	50,000 sh.

The balance of the authorized common shares, amounting to 22,500, are to be reserved for the conversion of the preference stock.

Funded Debt— None.

Dividend Record—
Preferred—7% per annum, payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend paid Feb. 1, 1928, and regularly since.
Common—None paid.

Officers and Directors—
Officers—T. C. Anderson, pres.; H. J. Hickey, vice-pres.; H. W. Whitla, sec'y.; W. S. Pozer, gen. mgr.
Directors—T. C. Anderson, H. J. Hickey, D. De Jardin, H. S. Johnston, J. McDonald, C. P. Pelisser, all of Winnipeg, Man.

INCOME AND SURPLUS ACCOUNT
Years Ended January 31

	1930 $	1929 $
Net earnings	74,459	92,609
Less: Depreciation	18,122	18,411
Res. for income tax	3,840	4,449
Net profit	52,497	69,749
Less appropriations:		
Pref. dividends	30,814	31,500
Amt. written off mach., plant, etc. on replac. ...	.....	16,583
Surplus for year	21,683	21,666
Add: Prev. surplus	48,463	26,797
Less: Adj. of 1928 inc. tax ..	228	.....
Bal. car. forward	69,918	48,463
Earn. per Share and Div. Record:		
Preference: Earned	$13.12	$15.5?
Paid	7.00	7.00
Common: Earned	.43	.76
None paid.		

Market Record—

	High *1930	Low *1930	High 1929	Low 1929	High 1928	Low 1928
Com.	3	1	8	3	18½	6
Pref.	68¾	60	90	70	103	96

*To Oct. 6.

Kormann's Beverages

Kormann's Beverages Ltd., took over the old-established business of King & Dalton in Toronto. Fred Dalton remained in charge of the new company.

The capacity of the brewing department in the plant at Sherbourne & Duchess Sts. is said to be 5,000 gallons a day. Soft drink department is reported to be doing well.

The first Kormann brewery was established in 1857.

Capitalization—

	Authorized	Issued
Common .... (No par value.)	400,000 sh.	300,000 sh.

Funded Debt— None.

Officers and Directors—
James Jamieson, pres.; Frederick Hambly, vice-pres.; H. C. Wiedeman, treas. and man. dir.; F. J. Kormann, sec.; A. N. Heintzman, J. A. Ragsdale, Oscar Welti, S. Greenberg, F. Dalton.

Calgary Brewing

Calgary Brewing & Malting Co. is an old established company with brewery and malt house at Calgary. It also owns hotels in various Alberta and Saskatchewan cities. The investment interest is principally in Britain.

Capitalization—

	Authorized	Outstanding
Common .... (Par $100)	$2,000,000	$1,500,000

Funded Debt—
First mtge. 5% due 1942; outstanding $576,840.

Dividend Record—
Common 5% per annum, payable twice yearly, Sept. 15 and Dec. 31.

Officers and Directors—
Officers—A. E. Cross, pres.; Sir F. A. Macnaghten, vice-pres.; C. W. McMillan, treas.; J. B. Cross, sec.
Directors—A. E. Cross, Calgary, Alta.; Sir Francis A. Macnaghten, Bart., County Antrim, Ireland; A. H. Eckford, London, Eng.; C. W. McMillan, Calgary, Alta.; J. B. Cross, Calgary, Alta.

ESTIMATED SURPLUS ACCOUNT
(For Years Ended March 31)

	1929 $	1928 $	1927 $
Estim. earn.*	617,402	283,741	284,574
Less: Div. ..	75,000	75,000	75,000
Surp. for yr.	542,402	208,741	209,574
Prev. surp. ..	808,238	599,497	389,923
Bal. carr. fd.	1,350,640	808,238	599,497

*After making provision for bond interest, taxes and reserve for bad debts.

Brewing Corp. of Can.

New Company Controls Dozen Large Breweries in Central Canada

Brewing Corporation of Canada, with its headquarters in Toronto, is the result of a large scale brewery merger which has been accomplished as the result of active negotiations during the last several months. The company has acquired either a controlling interest or a whole interest in the following breweries:

Kuntz Brewery, of Waterloo, Ont.; Taylor & Bates, of St. Catharines; Regal Brewing Co., of Hamilton, formerly Hamilton Brewing Assoc.; Brading Breweries of Ottawa; British-American Brewing Co., of Windsor, Kuntz Beverages, of Toronto; and Carling Breweries, of London, and Montreal; Dominion Brewery Co. of Toronto; Empire Brewing Co., of Brandon; Grant's Springs Brewery Co., of Hamilton; Kiervel Brewing Co. (St. Boniface, Man.)

Most of these acquisitions and mergers were obtained by the Brewing Corp., of Ontario, which then entered into negotiations with the Canadian Brewing Corp. for an amalgamation under the present name. The offer made to shareholders of Canadian Brewing Corp. was accepted by the majority.

Brading Breweries

The Brading Breweries, which is now controlled by the Brewing Corp. of Canada, is engaged in the brewing of ale, stout and lager for sale principally in Ontario and Quebec.

The company owns outright its branch in Ottawa, also a five-storey building adjoining the brewery to the west, and a two-storey building in Hull, both being used for storage purposes. The business was first established in 1865 by the founder, H. F. Brading, but after his death the business was sold in 1905 to the Brading Brewing Co. The name was changed in December, 1914, to the Brading Breweries.

The company had the largest volume of sales in its history during 1929. This forced the company to build a new building that would provide a larger bottle shop for increased storage and shipping facilities.

British American Brewing

British-American Brewing Co., Windsor, Ont., which is controlled by the Brewing Corp. of Canada, owns and operates a brewery in Windsor, having a capacity of 155,000 barrels of beer. The original plant had a capacity of 100,000 barrels a year of lager, but this capacity was increased in 1928 by the construction of a new brewery with a capacity of 55,000 barrels of ale per year. This was placed in operation in December, 1928. The business was first established in 1882 by a private corporation and taken over in 1927 by the present company.

Canadian Brewing Corp.

Canadian Brewing Corp., control of which has just been purchased by Brewing Corp. of Canada through the medium of an exchange of shares, itself manufactures lager ale, and stout under various trade names in five plants operated by susbidiary companies. These plants include one in Toronto, two in Hamilton, one in

(Continued on page 19)

Moirs, Limited

Current Operations Show Further Progress—Gain in Sales

Operations of Moirs, Ltd., have been well maintained this year, and sales have shown a moderate increase. The company expanded its plant materially in 1928 and 1929 and the factory at Halifax is now equipped for daily production of 100,000 pounds of chocolates and confectionery.

In addition to its candy production, the company operates bakeries with a capacity for 11,000 loaves, 2,500 pounds of cake and 5,000 pounds of biscuits daily. Distributing branches are maintained at Saint John, Montreal, Toronto and Winnipeg, while a considerable export business is undertaken.

Capitalization—

	Authorized	Outstanding
Com. (n.p.v.)	20,000 sh.	15,133 sh.

In November, 1929, par value of stock was reduced from $100 to none.

Funded Debt—
6½ per cent first mortgage sinking fund bonds, due 1946; outstanding, $1,324,000.

Dividend Record—
No dividends paid.

Officers and Directors—
Officers—O. E. Smith, pres.; J. C. MacKeen, vice-pres.; J. H. Winfield, man. dir.; Thomas Hood, compt. and sec.
Directors—J. W. Moir, chairman of board; O. E. Smith, J. C. MacKeen, G. MacG. Mitchell, W. B. Proctor, J. H. Winfield, J. L. Hetherington, Halifax; I. W. Killam, Montreal; H. P. Robinson, Saint John, N.B.; Archibald Fraser, Fredericton; Frank Stanfield, Truro.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1929 $	1928 $	1927 $
Net earnings‡	273,959	244,196	227,374
Less: B'd int.	86,060	87,750	65,000
Depreciation	123,576	111,273	110,975
Org. exp. w/o	......	......	......
Inc. tax res.	......	......	......
Surp. for yr.	64,323	45,173	51,398
Add: Pr. surp.	156,749	111,576	60,179
Balance for'd	221,072	156,749	111,576

‡ After manufacturing expenses, maintenance charges, selling and administrative charges, federal and general taxes, and provision for bad and doubtful debts.

Times Bond Interest Earned:			
Before depr.	3.18	2.78	3.50
After depr.	1.75	1.51	1.79
Earn. per Sh.	$4.25	$3.01	$3.49

Inter. Proprietaries

Sales in 1930 Promise to be Greater Than in 1929

International Proprietaries, Ltd., a holding company which manufactures through subsidiaries an effervescent saline known as Eno's Fruit Salt and a medicinal cotton called thermogene, is having an experience in 1930 which promises that both sales and earnings will outdo the good results achieved in 1929. Net earnings in 1929 were sufficient to provide for a dividend of $2.90 a share on the Class "A" stock and $2.40 a share on the Class "B" stock. Actual payments were $2.70 a share in 1929 on Class "A" stock and 80 cents a share on Class "B" stock.

Class "A" shares receive a dividend of $2.60 plus 10 cents a share for every 80 cents a share paid on Class "B" shares. This means that earnings in 1929 would have enabled the company to pay $2.60 and three participating dividends and three dividends of 80 cents a share on Class "B" stock, leaving a balance of $86,000. With $26,000 the company would have been able to pay $3 on Class "A" and $3.20 on Class "B" stock.

Company's plants and sales activities cover the world.

Capitalization—

	Authorized	Outstanding
Class "A" (n.p.v.)	500,000 sh.	224,500 sh.
Class "B" (n.p.v.)	250,000 sh.	112,500 sh.

Class "A" has preference as to cumulative dividend of $2.60 per share per annum, after which class "A" participates in any payment on class "B" up to an additional 80 c. per share on class "A," on the basis of one-quarter of the total amount paid on class "B." Non-callable, but the company may redeem shares already purchased in the open market; 500 shares were redeemed during 1929. In liquidation, classes "A" and "B" share equally.

Funded Debt— None.

Dividend Record—
Class "A"—$2.60 per share per annum, cumulative, payable quarterly, Mar., June, Sept. and Dec. 15. Paid regularly. Participates with class "B" (see above); participating dividends of 10c paid Dec. 15, 1929, and June 15, 1930.
Class "B"—No fixed rate. 80c. per share paid Dec. 15, 1929, and June 15, 1930.

Officers and Directors—
Officers—Harold F. Ritchie, pres.; Ruthven Hay, vice-pres.; W. A. Armstrong, vice-pres.; C. M. Henning, comp.; J. H. Spence, sec.; C. H. McDougal, treas.
Directors—Harold F. Ritchie, Ruthven Hay, C. M. Henning, S. M. Screaton, W. H. Hancock and R. D. Moorhead, Toronto; W. A. Armstrong, New York.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
Year Ended December 31, 1929

Net earnings after deprec.	$1,270,482
Less: Prov. for income taxes	228,532
Prov. for staff bonus & pension fund	22,144
Writ. off organiz. expenses	12,600
Net profit	1,007,122
Less appropriations:	
Class "A" regular divds.	584,300
Class "A" participating divds. .	22,500
Class "B" divds.	90,004
The Thermogene Co., Ltd.: Divds. to minority shareholders	22
Surplus for year	310,296
Add: Previous surplus	194,405
Balance carried forward	$504,701
Earn. per Share and Div. Record—	
Class "A": Earned	*$4.40
Earned	†2.98
Paid	2.60+10c
Class "B": Earned	‡2.01
Paid	0.80

*Available for regular dividend of $2.60.
†Maximum applicable to class "A" shares according to participating provisions.
‡Allowing for class "A" participating provisions.

Jenny Lind Candy

Starts Candy Chain to Cover Ontario and Quebec

Although there was a public offering of stock in Jenny Lind Candy Shops in February it was not until October that stores were opened, in Toronto. As a new enterprise, the investment must be considered speculative.

Capitalization—

	Authorized	Issued
Pref. 7% ...... Par $35.	$315,000	$315,000
Common .... No par value.	40,000 shs.	30,000 shs.

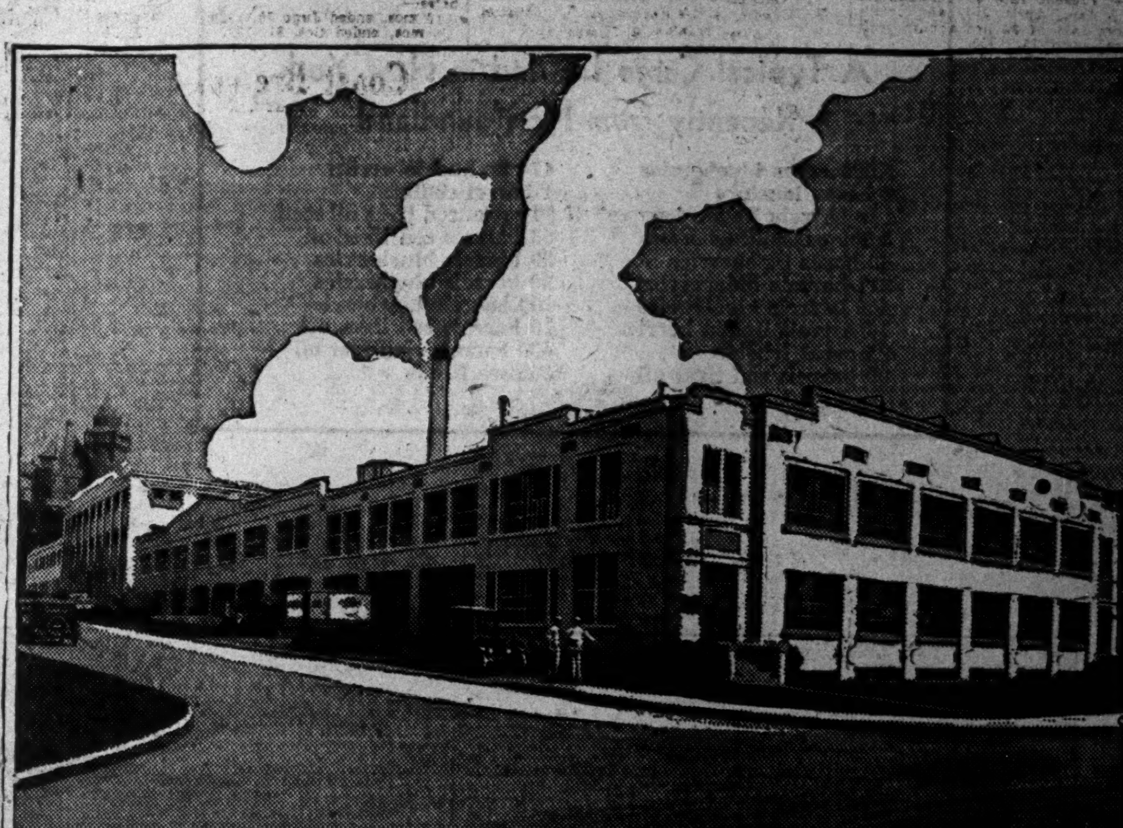
Preferred is cumulative redeemable, convertible on holder's option into common shares on a share for share basis.

Funded Debt— None.

Dividend Record—
Preferred 7% per annum, payable quarterly Mar., June, Sept. and Dec. 30.

Officers and Directors—
E. G. Robinson, pres.; J. H. Notman, C. E. Mooney, J. W. Townsend, R. O. Pennington, A. B. Pollick, W. J. Taylor, A. E. Hickman, A. O. Coutts, W. A. Robinson, W. F. Sweetman.

National Distilleries Limited
Manufacturers of Industrial Alcohol
"Exo" Anti-Freeze
MONTREAL
CANADA
DISTILLERIES
Lachine, Quebec St. Boniface, Manitoba
SALES OFFICES
Montreal, Que. Toronto, Ont. Winnipeg, Man. Vancouver, B.C.
CABLE ADDRESS
"Nadis"-Montreal "Manreco"-Winnipeg


Main Plant, Acme Farmers Dairy Limited, Toronto — A unit of Eastern Dairies Limited.

EASTERN DAIRIES LIMITED . . .
an All-Canadian organization contributing to the Health and Prosperity of the Dominion

Subsidiaries of Eastern Dairies Limited
Elmhurst Dairy Limited—Montreal
Acme Farmers Dairy Limited—Toronto and Hamilton
Crescent Creamery Co. Limited—Winnipeg
The Producers Dairy Co. Limited—Ottawa

Eastern Dairies Limited through its various units has grown to be one of the most important factors in the distribution of milk, cream, butter, ice cream, and other dairy products in Canada.

In addition, Eastern Dairies Limited is an important contributor to Canadian Industrial and Agricultural prosperity through its large export of milk by-products.

EASTERN DAIRIES LIMITED
MONTREAL, CANADA

Brewing Corp. of Canada

(Continued from page 18)

St. Boniface near Winnipeg, Man., and one in Brandon, Man. The Brandon plant also manufactures ginger ale and soda water. The combined capacity of the plants is about 200,000 barrels per annum.

The company was incorporated in December, 1926, to acquire the entire capital stock of the Dominion Brewery Co. Ltd., of Toronto, and over 97 per cent of the capital stock of the Hamilton Brewers' Association, and its wholly owned subsidiary, Grant Springs Brewery Co., both of Hamilton, Ont. All of these were old companies. In July, 1928, the company acquired the Empire Brewing Co., of Brandon, Man. and in October, 1928, purchased the capital stock of the Kiewel Brewing Co., of St. Boniface, Man., with its subsidiary company, Kiewel Limited.

The company inaugurated dividends on January 15, 1928 at the rate of $2 per annum, but a dividend of 25 cents per share, declared payable April 15, 1930, reduced the rate to $1 per annum. The company has no funded debt. The new dividend rate is well protected by earnings.

Carling Breweries

Carling Breweries, which is the latest acquisition of the Brewing Corp. of Canada, manufactures ale, beer, lager and porter of several different brands as well as ginger ale. The products are distributed through Quebec, Ontario, Manitoba and elsewhere in Canada including exports. The plant at London has a brewing capacity of 1,200 barrels per day and a shipping capacity of 16,000 to 18,000 cases per day with ample storage facilities. Beer is shipped by a 6,000 gallon tank car to the Montreal bottling plant where it is bottled for the Eastern Canada trade. The Montreal plant was constructed and equipped in 1928 at a cost of about $200,000. The company operates a warehouse in Winnipeg for distribution of its products in the West.

Carling Breweries was incorporated June 4, 1927, to take over Carling Export Brewing & Malting Co. The original business was founded at London in 1840. In 1923 the plant of the company was renovated and improved and in 1926 the capacity of the plant was doubled.

Capitalization—	Authorized	To be Outstanding*
Common ...... (No par value.)	1,000,000 shs.	216,305 shs.
Preferred ..... (No par value.)	250,000 shs.	135,005 shs.

*Upon completion of exchange of shares with all subsidiary companies.

500,000 shares common are reserved for conversion of preferred.

Preferred has preference as to assets up to $40 per share and is entitled to a cumulative dividend of $2.50 per share per annum. Callable at $40. Convertible into common on basis of 2 for 1.

Dividend Record—
Preferred $2.50 per annum, payable quarterly. First paid Jul y1, 1930, 62½c per share paid Oct. 1, 1930.
Common—
None paid.

Officers and Directors—
C. S. Jennison, chm. of board; P. B. Taylor, pres.; E. P. Taylor, vice-pres. and gen. man.; K. S. Barnes, vice-pres.; W. J. Lyons, sec.
Directors—K. S. Barnes, C. S. Jennison, Montreal, P.Q.; C. S. King, Windsor, Ont.; C. D. Magee, D. J. McDougald, C. W. Rowley, E. P. Taylor, D. D. MacLeod, Toronto, Ont.; E. T. Sandell, St. Catharines, Ont., Lt.-Col. P. B. Taylor, Ottawa, Ont.; and H. F. Kuntz, Waterloo.

Canadian Brewing

Capitalization—	Authorized	Outstanding
Common .... (No par value).	150,000 shs.	118,500 shs.

Funded Debt—
None.

Dividend Record—
Common — Present rate $1 per annum, payable 15th Jan., April, July and Oct. Reduced from rate of $2 per annum with payment due April 15, 1930.
Initial dividend paid Jan. 16, 1928.

Officers and Directors—
Officers—K. S. Barnes, pres.; D. J. McDougall, vice-pres.; G. Russell, gen. mgr.; R. A. Crudge, sec.-treas.; H. A. Taylor, compt.
Executive Committee—K. S. Barnes, D. J. McDougald, H. F. Walker.
Directors—K. S. Barnes, H. C. Flood, H. F. Walker, Montreal; G. H. Levy, Hamilton, Ont.; D. J. McDougald, D. D. Macleod, Toronto; J. C. Schultz, Buffalo, N.Y.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
(Years Ended December 31)

	1929 $	1928 $	1927 $
Net earn. ...	672,960	627,682	356,972
Less:			
Depreciation	76,278	74,575	62,007
Org. ex. w/o	.....	8,645	3,010
Prov. for inc. tax	15,000	18,000	15,000
License fees and taxes	373,497	290,036	107,431
Net profit...	208,185	236,426	169,524
Less appropriations:			
Prop. of net profit applic. to minority int. in sub. cos.	.....	......	2,273
Divds. paid	237,000	212,928	†50,000
Prov. for sales and gallonage taxes in dispute—trans. to reserve	.....	3,323	32,805
Surp. for yr.	*28,815	20,180	84,446
Add: Prev. surp.	96,199	84,446	......
Less: Adj. from pr. yr.	.....	8,427	......
Bal. car. for.	67,384	96,199	84,446

* Deficit.
† Payable Jan. 16, 1928.

Earnings Per Share and Dividend Record:

Common:			
Earned ..	$1.76	$2.05	$1.67
Paid	2.00	2.00	.50

Market Record—

	1930 H	L	1929 H	L	1928 H	L
Common	11¾	5¾	32	6	39¾	26½

*To Oct. 6.

British American Brewing

Capitalization—	Authorized	Outstanding
Class "A"	100,000 shs.	60,000 shs.
Class "B" ...... (No par value).	100,000 shs.	60,000 shs.

In August, 1930, Brewing Corporation of Ontario, the new holding company having control of this company, made an offer to minority shareholders to exchange Class "A" shares for shares of Brewing Corporation. For each Class "A" share, holders are offered one-quarter of one share of preferred and one-quarter of one share of common stock of Brewing Corporation of Ontario.

Class "B" shareholders are offered one-quarter of one share of common stock of Brewing Corporation of Ontario for each Class "B" share held.

Class "A" to receive preferential cumulative, dividends of $2.50 per annum, payable Feb., May, Aug. and Nov. 1. Paid during 1928; none since.

Class "B" then entitled to $2.50 per share annually; after which both classes participate equally. None paid.

Officers and Directors—
Officers—Charles S. King, pres.; C. F. Clapp, vice-pres. and gen. mgr.; W. C. Butler, sec.-treas.
Directors—C .S. King, E. M. McLean, Walkerville, Ont.; C. F. Clapp, F. E. Clapp, Windsor, Ont.; W. C. Butler, W. J. Pulling, O. E. Fleming, K.C., E. C. Kenning, K.C., Sandwich, Ont.; P. J. McConnell, Roseland, Ont.

INCOME AND SURPLUS ACCOUNT
Years Ended October 31

	1929 $	1928 $
Gross earnings	280,413	391,134
Less: Selling expenses ...	195,168	216,127
Admin. & general	50,573	*47,292
Net earn from oper.	34,672	127,715
Add: Misc. income (net)	511	6,672
Net earnings	35,183	134,387
Less: Prov. for inc. tax ..	3,132	11,400
Sales & gal. taxes†	....	25,399
Net profit for year	32,051	97,588
Add: Amt. chgd. guarantors, under guar. agreement	......	52,412
	32,051	150,000
Less: Class "A" div.	....	150,000
Surplus for yr. car. fwd.	32,051	......

*Accounts do not include a charge for officers' salaries except in the case of the assistant secretary and treasurer, all other officers having waived their right for the year ended October 31, 1928.

†On beer exported prior to April 16, 1928, (in dispute).

Earnings Per Share and Dividend Record:

Class "A":		
Earned	$0.53	*$1.63
Paid	...	2.50
Class "B":		
Earned	...	...
Paid (none paid).		

*Exclusive of amount received under guarantee agreement.

Can. Ind. Alcohol

Current Sales Improved But Earnings Are Lower to Date

Operations of Canadian Industrial Alcohol Co. have been hampered by legislation prohibiting clearance of liquor exports to the United States. Though current sales are said to be showing some improvement earnings this year have not been satisfactory. In March, 1930, dividends on the common stock were deferred and indications of a resumption of disbursements are remote at present.

The company operates one of the largest distilleries in Canada at Corbyville while the combined storage capacity of all its plants is 14,000,000 gallons. The stocks which the company has on hand provide a valuable potential asset.

Litigation which surrounded the management of the company was a factor in preventing the company from making headway; it is possible that some reorganization of capital structure may be considered unless earnings show a marked improvement.

Capitalization—	Authorized	Outstanding
Com. Class "A"	1,000,000 shs.	969,480 shs.
Do., Class "B"	500,000 shs.	123,435 shs.

No par value. Class "B" shares have no voting power. It was created in Jan. 1928, by being issued as "rights" to shareholders of this company, whose shares are now known as Class "A" shares.

Funded Debt—
The company has no funded debt but guarantees the 6 per cent 20-year debentures of its subsidiary Robert McNish and Co.

Dividend Record—
Common—Both classes. $1.52 per annum, payable Jan., Apr., July and Oct. 15. Paid regularly from April 15, 1928, to Jan. 1930. 25c bonus paid Jan., 1928. Dividends passed for April 15, 1930, and since.

Officers and Directors—
Officers — Rt. Hon. Lord Shaughnessy, K.C., pres.; J. G. Lawrence, sec.; S. G. Turnbull, treas.; E. Lauster, Col. F. M. Gaudet, Fisher Wilmore, vice-presidents.
Directors — Rt. Hon. Lord Shaughnessy, J. Stormont, E. Lauster, Montreal; F. Wilmore, Corbyville, S. G. Turnbull, A. M. Reaper, J. J. Kessner, J. G. Lawrence.

INCOME AND SURPLUS ACCOUNT
Years Ended Sept. 30

	1929 $	1928 $	1927 $
Net profit ..	2,073,977	3,136,680	2,413,996
Less appropriations:			
Com divs.	1,661,136	1,614,042	1,189,229
Bonus ...	‡273,167	....	*807,900
Surp. for yr.	139,674	1,522,638	416,867
Add:			
Prev. surp.	3,360,384	1,837,745	1,420,878
Surp. from former co.	1,296,463	1,296,463	1,296,463
Less:			
Dom. sales tax 1922-28	1,404,000	....	....
	3,392,521	4,656,846	3,134,208

*Stock bonus. ‡Bonus of 25 cents per share declared Dec. 18, 1928 and applicable to fiscal year 1928.

Earn. Per Share and Dividend Record:

Common:			
Earned ..	1.90	2.90	2.48
Paid	1.52+25c‡	1.52	1.28*

‡Bonus of 25c per share declared Dec. 18, 1928, and applicable to fiscal year 1928.
*In addition, a stock bonus of 20 per cent was given.

Market Record:

	*1930 H	L	1929 H	L	1928 H	L
Class "A"	8½	3	45	5	50½	35¼
Class "B"	11¼	2	40	9½	47½	35

*To Oct. 6.

F. H. Bole, A. De Jardin, H. S. Johnston.

(Robert McNish & Company)
(Controlled by Canadian Industrial Alcohol)

Capitalization—	Authorized	Outstanding
Common .... (Par £1.)	£10,000	£10,000
Preferred .... (Par £1.)	£10,000	£6,528

Ninety per cent of the authorized and issued preference and ordinary shares are owned by Canadian Industrial Alcohol Co.

Funded Debt—
Guaranteed debenture stock, six per cent, due 1946, outstanding $4,444,665, par value $5.

Officers and Directors—
Officers—The Rt. Hon. Lord Shaughnessy, K.C., pres.; Ed. Lauster, vice-chm.; W. Y. McCullough, interim-sec.
Directors—The Rt. Hon. Lord Shaughnessy, K.C.; Ed. Lauster, J. G. Lawrence, Montreal; F. Wilmore, Corbyville, P.Q.; Col. G. McNish, J. McNish, T. Logan, Glasgow, Scotland.

Canada Bud Breweries

Good Current Business Suggests Possible Dividend Increase Soon

Canada Bud Breweries, formerly Toronto Brewing and Malting Company, reports good current business in 1930. The company owns and operates a brewery and malting plant at Dundas and Simcoe Sts., Toronto, and has cellar capacity of 650,000 gallons with late increases. This allows a turnover of 2,600 gallons per year.

Company's business is understood to be so successful that there is a possibility of dividend increase. The company is considered to have good management.

Capitalization—	Authorized	Issued
Common .... (No par value.)	200,000 shs.	126,000 shs.

Funded Debt—
None.

Dividend Record—
Common—$1 per annum, payable quarterly, Jan. April, July and Oct. 15. Initial quarterly dividend of 25 cents per share was declared payable Jan. 15, 1930. Paid regularly since.

Officers and Directors—
Officers—Duncan McLaren, pres.; W. A. Mackenzie, vice-pres.; C. E. Kiewel, man. dir.; E. J. Kay, sec.-treas.
Directors—D. McLaren, W. A. Mackenzie, C. E. Kiewel, Toronto; J. J. Doran, Sault Ste. Marie; Senator G. Robertson, Ottawa.

Market Record—

	*1930 High	Low	1929 High	Low	1928 High	Low
Common	12	8	12¼	8	10½	7

*To Oct. 6.

Broder Canning

Broder Canning Co. was incorporated in 1917 to take over a business originally established in 1910, so that the history of the business extends over twenty years.

The company operates canning plants at New Westminster (the head office) and at Edmonton and Medicine Hat, the products being marketed under the trade name "Royal City." Average earnings appear to have been nearly three times the preferred requirements.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. .... (Par $100).	$300,000	$150,000
Common .... (Par $100).	350,000	192,900

Preferred has preference as to dividends and assets up to par; redeemable at 105.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, cumulative from Oct. 1, 1929, payable Jan., Apr., July and Oct. 1.

Officers and Directors—
R. R. Broder, pres.; Brs. V. R. Broder, H. Wade, P. C. Broder, L. A. Lewis, New Westminster; C. H. Reed, Vancouver.

Earnings—
Nea earnings for the five years ended April 30. 1929, averaged $34,588; for year ended April 30, 1929; $73,418.

National Distilleries

National Distilleries operates plants at Lachine, Que. and St. Boniface, Man., having a combined storage capacity of over 3,000,000 gallons. Operations of the company have been affected by legislation prohibiting exports to the United States and the plant was closed down for one month during the summer. Operations have now been resumed.

	Authorized	Outstanding
Preferred .... (Par $100.)	$500,000	$329,400
Common .... (No par value.)	250,000 sh .	83,000 sh .

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, cumulative from Oct. 1, 1927. No dividend paid to date.
Common—None paid.

Officers and Directors—
Officers—D. N. Finnie, pres. and gen. mgr.; E. C. Pratt, vice-pres.; L-Alex. Martin, sec.; J. C. Ramsay, treas.
Directors—D. N. Finnie, Charles Greenshields, K.C., E. C. Pratt, W. T. Gwyn, Lieut.-Col. E. J. Cleary, D.S.O., J. G. Turgeon, W. J. Hushion, Leo George, H. B. Housser.
Executive Committee—D. N. Finnie, E. C. Pratt, W. J. Hushion, C. Greenshields, K.C., Leo George.

CONSOLIDATED INCOME & SURPLUS ACCOUNT

	13 mos. end. Dec. 31, 1929 $	12 mos. end. Nov. 30, 1928 $
Total sales	1,119,082	548,944
Cost of sales	801,013	395,059
Gross oper. profit	318,069	153,885
Less: Admin. & selling expenses	235,876	71,593
Net earn. from oper. ..	82,193	82,292
Other income	4,764	1,853
Net earnings	86,957	84,145
Less: Other deductions	27,310	21,651
Net income	59,647	62,494
Less: Res. for bad debts	10,000	......
Surplus for year†	49,647	62,491
Add: Prev. surplus	82,762	20,268
Balance carried for'd ..	132,409	82,762
‡Earnings per Share—		
Preferred	$15.07	$18.98
Common	.32	.50

†Before provision for depreciation.
‡Earnings are calculated as follows:
Preferred—On surplus for year, ignoring arrears which date from Oct. 1, 1927;
Common—After deduction of year's dividend on preferred.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Common	5	1	17¼	3½	21	10½

*To Oct. 6.

Copeland Brewing Co.

Copeland Brewing Company, which came into production on June 1, 1928, under new interests, is reported to have been increasing its business. The company's plant is in Toronto. The acting directors formerly were well known in the brewing industry in Buffalo, N.Y., and have made considerable progress.

Capitalization—	Authorized	Outstanding
Pref. 7% ($10 par)	$250,000	$250,000
Com. (n.p.v.)	100,000 shs.	62,000 shs.

Preferred is convertible into 4 shares of common.

Funded Debt—
None, but the company has a first mortgage of $126,165 against the land and buildings.

Dividend Record—
Preferred — 7% per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend of 1¾% paid Nov. 1, 1928 and regularly since.
Common—None paid to date.

Officers and Directors—
Officers—W. J. Simon, pres.; G. J. Simon, vice-pres.; E. J. Meyer, treas.; D. I. Grant, Jr., sec.
Directors—W. J. Simon, G. J. Simon, E. J. Meyer, Edmund Fry, Leo P. Meyer, Alex. C. Meyer, Buffalo, N.Y.; D. I. Grant, Jr., Toronto.

Sales—

12 mos. ended June 30, 1929	$342,020
4 mos. ended Oct. 31, 1929	135,390

Coast Breweries

Coast Breweries, Ltd., of Vancouver, paid an 8 per cent dividend during its first year. It owns the capital stock of four British Columbia brewery companies.

Capitalization—	Authorized	Issued
Common ...., (No par value.)	250,00 shs.	180,215 shs.

Funded Debt
None.

Dividends—
In 1929 placed on an annual basis of $1.84 per share per annum, payable quarterly, 1st Feb., May, Aug. and Nov. An extra dividend of 46c. per share was paid Aug. 31, 1929.

Funded Debt—
None.

Directors—
Robert Fiddes, G. W. Norgan, W. Oliphant Bell, Vancouver, B.C.; J. E. Wilson, H. Maynard, H. E. Newton, Victoria, B.C.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
Year Ended June 30, 1929

Net earnings	$909,035
Less: Administrative and general exp.	293,778
	$615,258
Less: Depreciation	69,901
Income tax reserve	80,004
Net profit	$465,352
Dividends and bonus paid	264,434
Balance forward	$200,918

Sarnia Distilleries

Sarnia Distilleries, which was organized in February, 1929, to acquire the Sarnia Wine & Cognac Co., owns a plant with a distilling capacity of 600,000 gallons annually.

Capitalization—	Authorized	Outstanding
Common .... (No par value.)	100,000 shs.	50,000 shs.

Funded Debt—
None.

Dividend Record—
None paid.

Officers and Directors—
Officers—C. Kocot, pres.; J. G. Church, sec.-treas.
Directors—C. Kocot, L. J. Kocot, H. E. Fuller, Sarnia; J. S. Dickson, W. H. Jolliffe, Toronto.

Adanac Brewing Co.

Adanac Brewing Co., of Regina, Sask,. has found business somewhat restricted in 1930 due to unemployment in the province and the low price received by farmers for their products. The Saskatchewan Government for a time considered the policy of limiting the sale in Saskatchewan of beer made in other provinces.

Capitalization—	Authorized	Outstanding
Common	30,000 shs.	30,000 shs.
Pref. 8% cum. Par $25.	$250,000	$250,000

Funded Debt—
None.

Dividend Record—
Preferred, 8% per annum.

Officers and Directors—
Officers—Dr. E. A. McCusker, pres.; W Ross MacKenzie, vice-pres.; T. W. Cogland, mgr.; E. D. McCallum, sec.-treas.
Directors—Dr. E. A. McCusker, W. Ross MacKenzie, E. D. McCallum, Dr. Laurent Roy, R. G. Waddell, D. H. Lunam, F. Somerville, J. Kerber, Regina.

Lindsay Distilleries

Lindsay Distilleries, Ltd., which was formed to turn out high grade distillates and to produce molasses alcohol, grain alcohol and industrial spirits has been operated in recent months in the interests of its creditors under the custodianship of F. C. Clarkson.

According to the affidavit of the accountants of the company, the assets consisted of $400,000 in liquor and $600,000 in machinery. Liabilities were placed at $500,000.

Capitalization—	Authorized	Outstanding
Common	500,000 shs.	215,000 shs.

Funded Debt—
None.

Dividend Record—
None paid.

Officers and Directors—
Officers—Sir Henry M. Pellatt, pres.; Fred Diver, vice-pres.; E. H. Kellner, gen. mgr.; R D. Fairbairn, sec.-treas.
Directors—Sir H. M. Pellatt, F. Diver, T. P. Phelan, W. H. Despard, Rhys D. Fairbairn, Maj. J. Rodgers, Toronto; Mayor J. A. Murray.

Budweiser Brewing Co.

Budweiser Brewing Co. of Canada, which was formed in 1929 to take over the assets and liabilities of Quinte Brewing, Ltd., of Belleville and to take over the distributing rights of Pilsener Beer Co. of Montreal, now has its head office in Toronto. The Pilsener Beer Co. does not enter into present operations of the company as it was exclusively a distributing concern for lager which was secured in bulk from Czecho-Slovakia. The imports from Czecho-Slovakia have stopped but the company, though its application to do business in Quebec has been accepted, is concentrating its attention on the Ontario field.

When Quinte Brewing assets were taken over, the arrangement made for their purchase included an undertaking by Budweiser Brewing Co. to look after bonds and interest thereon if the trustee for Quinte Brewing Co. would look after interest up to April, 1929. As that has not yet been done the company has not paid interest on bonds as it desires to have the whole matter cleared up at once. A meeting of the bondholders is expected in a few weeks for the purpose of arriving at some amicable arrangement.

It had been intended to double the capacity of the old Quinte Brewing plant but the failure to get the bond interest cleaned up and the break in general market valuations last year have delayed the execution of the company's plans for financing expansion. It is stated, however, that the company's business in 1930 will be at least 50 per cent greater than that done in 1929 and that sales are still expanding even though the total brewery sales generally in Ontario is down.

Capitalization—	Authorized	Issued
Common .... (No par value.)	250,000 sh.	200,000 sh.
Preferred 7% ...... (Par $100.)	$500,000	$500,000

Officers and Directors—
A. O. White, pres.; W. A. Mullen, vice-pres.; G. Harris, sec.; R. H. Howard, H. Jose.

Federal Distilleries

Federal distilleries, Ltd., operates a plant in Montreal with a capacity of about 6,000 gallons a week. Products are sold in Quebec and export markets.

Capitalization—	Authorized	Outstanding
Common .... No par value.	*500,000 shs.	377,523 shs.

*Increased from 100,000 shares to 400,000 shares in July, 1929. Since increased to 500,000 shares.

Funded Debt—
General mortgage bonds, were redeemed on Aug. 25, 1930.

Dividend Record—
Common—20 cents per share per annum. 10 cents per share paid Jan. 15 and June 15, 1928. None since.

Officers and Directors—
Officers—Fred Bolger, pres.; J. H. Goulden, sec. and treas.
Directors—R Cooke, Col. J. P. Buckley, Fred Bolger, J. H. Goulden, Montreal.

INCOME AND SURPLUS ACCOUNT
Years Ended March 31‡

	1930 $	1928 $
Sales	51,763	182,563
Less: Man, adminis. and selling expenses	110,454	130,563
Net earnings	*58,691	52,000
Less: Donations	100	......
Res. for bad debts	3,733	......
Res. for deprec. on autos.	1,180	18,500 (autos and fur. & fix.)
Res. for depr. on fur. & fix.	130	
Bond interest	......	4,000
Net profit	*63,834	29,000
Less appropriations:		
Dividends	......	5,092
Surplus for year	†63,834	23,908
Add: Previous surplus ...	†135,058	583
Bal. car. forward	†198,892	24,491
Times Interest Earned:		
Before depreciation	...	13.08
After depreciation	...	8.45
Earn. per Share and Div. Record:		
Earned	...	$0.43
Paid	...	0.10

* Loss. † Deficit. ‡ No income and surplus account published for 1929.

Market Record—

	*1930 High	Low	1929 High	Low	1928 High	Low
Com.	.25	.10	1.75	.10	.05½	.01½

* To October 14.

Connors Bros.

Connors Brothers, Ltd., is one of the largest sardine producers in the world. The company operates a comprehensive plant at Blacks Harbor, N.B., and the business has been materially expanded since its inception in 1923.

In addition to its packing activities, the company operates a steamship service to Saint John and St. Andrews from Blacks Harbor. A world-wide export business is carried out.

Capitalization—	Authorized	Outstanding
Pref. ($100 par)	$250,000	$250,000
Com. (n.p.v.)	5,000 shs.	4,000 shs.

Funded Debt—
6½% first mortgage sinking fund coupon bonds, dated Nov., 1923, due 1938, $250,000 originally outstanding, $10,000 being redeemed each year. Outstanding Dec. 31, 1929, $160,000.

Officers and Directors—
Officers — A. N. McLean, pres.; L. V. Lingley, vice-pres.; Allan M. A. McLean, treas.; J. M. Scovil, sec.
Directors—A. N. McLean, L. V. Lingley, J. M. Scovil, Hon. B. M. Hill, Saint John, N.B.; C. H. Easson, Toronto; Allan M. A. McLean, Black's Harbour, N.B.

Dividend Record—
Preferred—7 per cent per annum, payable quarterly.
Common—6 per cent per annum, payable half-yearly.
Dividends were paid at the rate of six per cent in 1928 and five per cent in 1927.

Earnings
The company reports that bond interest and preferred dividends were earned with ample margin in 1929. Seven per cent dividends were paid on the common shares which were on a six per cent basis in 1928 and a five per cent basis in 1927. The value of the 1929 pack approximated $1,400,000, an increase of more than $200,000 over 1928.

Acme Products

Acme Products, Ltd., is a company in Winnipeg manufacturing patent medicines and other proprietary articles. Of the $215,000 of capital stock, $100,000 was issued for formulae, trademarks, etc.

Capitalization—	Authorized	Issued
Class "A" com. .. Par $1	$ 75,000	*$215,000 (both classes)
Common .... Par $10	525,000	

*Of which $100,000 was issued for formulae, trademarks, etc.

Officers and Directors—
Officers—W. S. Dunlop, pres.; James M. Carruthers, vice-pres.; James I. Morkin, sec.
Directors—W. S. Dunlop, James M. Carruthers, George W. Downey, Brig.-Gen. R. W. Paterson, C.M.G., James I. Morkin, all of Winnipeg.

J. S. Mitchell

Company Has Grown With Expansion of District Served

J. S. Mitchell & Co. was founded in 1876 and is firmly established in the territory it serves. Its chief market is the Eastern Townships and the company has grown with the industrial expansion of this territory.

J. S. Mitchell is engaged in the wholesale and retail distribution of mill, railway, corporation, mining and contractors supplies, coal and general hardware, explosive supplies and electrical equipment. The company owns real estate, coal pockets, warehouses and stores.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. .. (Par $100).	$1,000,000	$500,000
Common .... (No par value).	15,000 shs.	15,000 shs

Funded Debt—
The company has no funded debt, but had outstanding as at Dec. 31, 1929, a 6 per cent first mortgage amounting to $110,000, repayable $10,000 per annum.

Dividend Record—
Preferred—7 per cent per annum, cumulative from July 1, 1926, payable quarterly on Jan., April, July and Oct. 1.
Common—None.

Officers and Directors—
Officers—J. C. Newman, pres.; G. W. Murphy, vice-pres. and gen mgr.; G. W. Scott, sec.-treas., Royal Bank Bldg., Montreal; F. S. Brophy, asst.-sec.
Directors—J. C. Newman, C. W. Webster, G. W. Scott, W. P. Rapley, Montreal, P.Q.; G. W. Murphy, M. W. Mitchell, A. C. Stevens, Sherbrooke, Que.

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1929 $	1928 $	1927 $
Gross profit	365,251	357,093	313,652
Less: Selling, delivery, adminis., & other exp., includ. prov. for inc. tax	242,796	237,402	210,304
Net earnings ...	122,455	119,691	103,348
Add: Other income	10,354	10,297	17,505
Net profit	132,809	129,988	120,853
Less: Pref. divds.	35,948	39,309	41,314
General reserve	......	......	47,396
Surplus for year	96,861	90,679	32,143
Add: Prev. surp.	169,017	88,447	66,002
Less: Inc. tax for prev. year	965	10,109	9,698
Bal. forward* ...	264,913	169,017	88,447

*Which, added to the net worth of the common capital stock, $340,445, comprises the amount shown under liabilities as "Common and surplus."

Earnings per Share and Dividend Record:

Preferred:			
Earned	$26.56	$23.46	$20.48
Paid	7.00	7.00	7.00
Common:			
Earned†	5.81	5.44	4.77
None paid.			

†After allowing for preferred sinking fund requirements, viz., 10 per cent of earnings available for distribution to the common shareholders, which must be applied before and dividends are paid on the common.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Com.	41	40	73	35	72	38
Pref.	104	104	107	104	110½	99½

*To Oct. 13.

Canada Vinegars

With 13 Plants Throughout Canada, Company Does Large Business

Canada Vinegars, which owns 13 plants in Canada, is reported to be doing good business this year. Its Ontario plants are at Toronto, Hamilton, Norwich, Owen Sound and Kingston. There are two plants in Montreal, one in Quebec City, two in Winnipeg, one each in Calgary and Edmonton and one in Vancouver.

During the year A. L. Spaulding was appointed general manager to take the place of the late William S. Scott. Operations this year are understood to have been profitable in spite of business recession.

The financial year ends in Nov. 30, 1930.

Capitalization—	Authorized	Issued
Common (n.p.v.) .	100,000 shs.	92,000 shs.

Funded Debt—
None.

Dividends—
$1,60 per share per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Initial dividend of 40c. paid Sept., 1928, and regularly since.

Officers and Directors—
Officers—W. D. Wilson, pres.; C. L. Carsley, vice-pres.; A. L. Spalding, gen. mgr.; Edwin S. Scott, asst. gen mgr.; E. A. Isard, supervisor of factories; F. H. Yapp, hon. sec.; Percy L. Howell, sec.-treas.
Directors—W. D. Wilson, A. L. Spalding, H. P. Eckardt, W. Ewart Young, E. S. Scott, Toronto; C. L. Carsley, A. E. Mansfield, Montreal; E. A. Isard, Hamilton; E. L. Isard, Winnipeg; Edwin W. Howell, C. Fry, Norwich, Ont.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
Periods Ended November 30

	1929 $	1928† $
Net earnings	249,368	256,991
Less:		
Depreciation	48,747	42,938
Income tax reserve ..	13,862	17,846
Divds. & profits accruing on Western Vinegars shares not held by company ..	2,197	1,679
Net profit	184,557	194,528
Less appropriations:		
Dividends	147,200	73,600
Surplus for year	37,357	120,928
Add: Prev. surplus	120,928	......
Bal. carr. forward	158,285	120,928
Earnings Per Share and Dividend Record:		
Common:		
Earned	$2.01	$2.11
Paid	1.60	0.80

†Six months' period only.

PREVIOUS EARNINGS

Earnings of the company for the two years prior to refinancing and reorganization were as follows:

	†Earnings $	Deprec. $	Income Taxes $	§Net Profit $
1926	210,868	39,843	13,522	157,503
1927	246,490	39,843	16,372	190,275

§Before interest on bonds retired in 1928.
†Not including Western Vinegars.

	*1930 H	L	1929 H	L	1928 H	L
Common	26¼	18½	42¼	23	31¼	25

*To Oct. 6.

Malagash Salt

Malagash Salt Co. is making satisfactory headway. During the current year it has carried out a comprehensive development programme with a view to widening demand for its products. The company owns mining rights on nine square miles of land at Malagash, N.S., which are estimated to contain 60,000,000 tons of white salt, with a lower strata of 300,000,000 tons of slightly lower grade. The company is affiliated with Canadian Industries, Ltd.

Production approximates 150 tons of salt a day.

Capitalization—	Authorized	Issued
Pref. 6% ...... (Par $100).	$200,000	nil
Common .... (No par value).	40,500 shs.	10,000 shs.

In Feb., 1929, $200,000 preferred stock, $100 par, was authorized, and the common stock authorized was increased from 10,000 to 40,500 shares, no par value. None of the new stock has been issued.

Funded Debt—
First mortgage 6½ per cent bonds, due 1947; outstanding $500,000.

Officers and Directors—
Officers—G. W. MacKay, pres.; A. R. Chambers, vice-pres. and gen. mgr.; Robert Murray, sec.
Directors—G. W. MacKay, C. S. Trotter, A. R. Chambers, Robert Murray, E. Douglas Graham, New Glasgow, N.S.; R. E. Lucas, London, England.

Cuban Canadian

Conditions in the sugar market have prevented Cuban Canadian Sugar Co. from making much progress in the past few years. The company operates a sugar mill at Ingenio Rio Cauto, Cuba, and owns 66,000 acres of property, of which 12,000 are planted in cane sugar.

Equipment includes 40 miles of railway, 350 railway cars and other rolling stock.

Capitalization—

Capitalization—	Authorized	Outstanding
Pref. 8% cum.	$10,000,000	$4,000,000
Common (Par value $100).	10,000,000	5,000,000

Funded Debt—
First mortgage 6 per cent bonds Rio Cauto Sugar Co., due Dec. 31, 1937, $1,500,000; general mortgage, 6 per cent bonds, due June 30, 1936, $1,000,000.

Dividend Record—
Preferred 8 per cent paid in 1920; none since. Common, none.

Officers and Directors—
Officers—I. W. Killam, pres.; F. E. Thurston, man.; Juan Lois, sec.-treas.; Fred. C. Clarke, vice-sec., Montreal.
Directors—I. W. Killam, Victor E. Mitchell, K.C., D.C.L.; Hon. N. Curry, V. M. Drury, Montreal; His Hon. W. D. Ross, Toronto; Geo. T. Walker, Ingenio Rio Canto, Cuba.

Market Record (Calendar Year)

	x1930 H	L	1929 H	L	1928 H	L
Com.	1⅜	¾	5½	¾	3¼	1½
Pref.	3¼	2	18⅞	..	28¼	14

xTo October 13.

St. Lawrence Flour

St. Lawrence Flour Mills Ltd., operates a flour and feed mill and deals in grain, seed and other agricultural products. The property is located on the Lachine Canal in Montreal having a capacity of 2,700 barrels a day.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. ($100 par)	$600,000	$575,000
Com. ($100 par)	1,200,000	1,200,000

Preferred is non-callable; has equal voting rights with common.

Dividends—
Preferred—7% per annum, cumulative, payable quarterly 1st Feb., May, Aug. and Nov. Paid regularly since 1914.
Common—None paid since 1925, when 2½% was paid. 5½% paid 1918. 6% 1919 to 1924. Bonuses paid in addition 1918 to 1922 included.

Funded Debt—
6% First mortgage sinking fund bonds, due 1941. Outstanding, $81,000. As at Aug. 31, 1930, there was accrued interest on the bonds amounting to $810.

Officers and Directors—
G. W. Grier, pres.; T. Williamson, vice-pres. and man. dir.; D. M. Wilson, sec.; D. S. Thornton, treas.; C. E. Gravel, J. J. McGill, C. H. Branchaud, of Montreal.

INCOME AND SURPLUS ACCOUNT
Years Ended August 31

	1930 $	1929 $	1928 $
Net earnings	105,017	139,726	109,017
Less:			
Depreciation	13,000	13,000	13,000
Bond int. .	4,860	4,866	5,040
Income tax	9,633	7,136	5,448
Net profit ..	77,524	114,724	85,529
Less appropriations:			
Pref. divds.	40,250	40,250	40,250
Surp. for yr.	37,274	74,474	45,279
Add: Prev. surp.	307,035	232,561	187,281
Bal. car. fd.	344,309	307,035	232,560
Times Bond Interest Earned:			
Before dep.	21.61	28.71	21.63
After dep.	18.93	26.17	19.05
Earnings Per Share and Dividend Record:			
Preferred:			
Earned ..	$13.48	$19.95	$14.87
Paid	7.00	7.00	7.00
Common:			
Earned ..	3.11	6.20	3.77
Paid	...	...	...

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1921	$147,801	$136,250	$382,270
1922	169,365	112,250	417,132
1923	110,883	112,250	396,873
1924	145,900	112,250	396,873
1925	98,300	70,250	163,497
1926	54,554	40,250	158,825
1927	90,126	40,250	187,281
1928	109,017	40,250	232,560
1929	139,726	40,250	307,035
1930	105,017	40,250	344,309

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Common	38	20	50	28	52¼	29
Preferred	87	86	95	86½	95½	94½

*To October 13.

THE NATIONAL GROCERS COMPANY

is controlled by

CANADIANS

and operated by

CANADIANS

Control of the National Grocers Company, Limited is now entirely Canadian. A Canadian executive and directorate manage the wide-spread food distributing operations of the Company. Canadians operate each of the twenty-nine distributing warehouses, comprising a system which permits the retailer to buy as he requires, saves heavy shipping charges, and gives improved and much faster service.

Canadian capital and Canadian enterprise are thus rendering Canada an outstanding service in the economical and efficient marketing of groceries.

THE NATIONAL GROCERS COMPANY LIMITED

Head Office - 21 Front Street East, Toronto

29 Distributing Warehouses in Ontario

Board of Directors: Archie Foster, President; J. H. Simpson, Marland Woolnough, John Medland, T. H. Kinnear, Hon. George Gordon, A. J. Major, M. D. Lemon, W. G. McLauchlan, H. D. Whitehouse and H. D. Eldred.

Apple Exports Grow

Records of the Dominion Fruit Branch at Ottawa show that the apple business of Canada last year amounted to 3,030,915 barrels produced in Canadian orchards. In addition, 158,420 barrels were imported and 1,727,147 barrels exported. The net consumption in Canada last year is placed at 2,371,188 barrels. Exports last year were 300,000 barrels ahead of 1921 and larger than any year since.

Three Reasons Why McCormick Packages Predominate Wherever Biscuits are sold.

Canada's Three Best Sellers

THE outstanding merchandising success of the year has been the introduction and sale of McCormick's Sun Wheat Irradiated Vitamin Biscuits.

Sun Wheat Biscuits were introduced to the Canadian public last February as a scientific contribution to modern diet. Accepted by the medical profession and by the trade, public appreciation was immediate. Over twenty-five million Sun Wheat Biscuits have reached the consuming public in a few months.

McCormick's Royal Assortment, English style biscuit package, also a new offering, has been taken up by the Canadian public with enthusiasm.

Jersey Cream Sodas have been a staple in the Canadian market for 70 years. The national popularity of this famous product, extending over three generations, shows in steadily increasing sales from year to year.

Despite the general depression, McCormicks are able to report a substantial sales increase for the first nine months of 1930.

Sun Wheat Biscuits contain five vitamins and essential mineral elements.

Royal Assortment contains thirteen kinds of fancy biscuits. Every box wax wrapped.

Canada's fastest selling soda biscuits.

McCORMICK MFG. CO., LIMITED

A Division of

CANADA BISCUIT CO., LIMITED
LONDON, ONTARIO

Grain Elevator Companies

Western Grain Co.

Large-Scale Elevator Company Paid Dividends Though Earnings Fell

Western Grain Co. owns and operates either by freehold or leasehold title complete elevator facilities for the buying, storing, selling, and shipping of grain in Saskatchewan, Manitoba and Fort William, Ont. Elevator capacity totals 11,650,000 bushels.

Its properties consist mainly of 273 grain elevators and 62 coal sheds and a terminal elevator of 3,500,000 bushels capacity at Fort William. The company paid preferred and common dividends, though earnings fell below amount needed. Working capital is still strong in spite of this drain. Low crop of 1929 and slow moving limited profits.

Capitalization — Authorized Outstanding
Pref. 6½% cum. $3,000,000 $2,000,000
Common (shares) 200,000 200,000
Preferred: par $100; redeemable at $110; Common: No par value.

Funded Debt—
1st mortgage 6 per cent bonds, due 1949, outstanding $3,000,000.

Dividend Record—
Preference—6½ per cent per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 2. Initial dividend was paid Apr. 2, 1929.
Common—No dividends may be paid on common until the company has a reserve fund equal to 2 years' dividends on preferred, or which would reduce the net current assets at any time below $1,000,000.

Officers and Directors—
Officers—C. G. Spencer, pres.; D. C. Maclachlan, vice-pres. adn gen. mgr.; J. B. Rendall, sec.; D. J. Morrison, treas.
Directors—C. G. Spencer, D. C. Mclachlan, C. I. Hall, D. Morrison, A. C. Reid, J. Stewart, F. B. Stoddard, A. H. Williamson, all of Winnipeg; K. B. Stoddard, London, Eng.

(Years Ended July 31)

	1930 $	1929 $
Net earnings*	77,455	811,707
Bond interest	180,000	105,000
Depreciation	(b)	175,497
Profit for year	‡102,545	531,210
Pref. dividends	130,000	65,000
Surplus for year	‡232,545	446,210
Income tax	44,716	
Surplus for year	‡277,261	466,210
Surplus brought for'd	466,210	......
Surplus carried for'd	188,949	466,210
Times bond int. earned†	.32	7.73
Preferred: Earned	0	26.56
Paid	6.50	3.25
Common: Earned	0	2.33
Paid	0	0

*After all operating expenses.
†Before depreciation.
‡Deficit.

Reliance Grain

Earnings Reduced by Extraordinary Grain Situation

Reliance Grain Co. in common with other grain companies, suffered a marked decline in earnings last year though current operations are said to be on a better basis. The company owns a terminal elevator at Port Arthur with a storage capacity of 4,000,000 bushels and 158 line elevators in Western Canada. In addition to these, the company controls over 50 line elevators in the prairie provinces. The company also owns the Smith Murphy Co. which with its subsidiary, Smith Murphy Co. Inc. of New York, carries on a general grain shipping and export business.

Capitalization— Authorized Issued
Common (n.p.v.) 100,000 shs. 100,000 shs.
Pref. 6½% cum. .. $3,000,000 $2,000,000
($100 par). Pref. is callable at 110.

Funded Debt—
6 per cent first mortgage and collateral trust bonds, Series "A," due 1948; issued $2,000,000; outstanding $1,960,000.

Dividends—
Preferred—6½ per cent per annum, cumulative from Dec., 1927; payable quarterly, 15th Mar., June, Sept. and Dic. Initial dividend paid Mar., 1928, and quarterly since.

Officers and Directors—
S. T. Smith, pres.; W. A. Murphy, vice-pres.; A. W. Gibb, sec.; C. G. Murphy, C. G. Smith, H. A. Smith, Winnipegg, Man.; A. J. Nesbitt, P. A. Thomson, Montreal, Que.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
Years Ended July 31

	1930 $	1929 $
Operating profit	110,132	1,049,935
Less: Depreciation	......	202,147
Bond interest	118,610	120,000
Income tax reserve	......	57,000
Bond disct writ. off	......	30,000
Net profit	*8,478	640,788
Less appropriations:		
Preferred dividends	130,000	130.000
Surplus for year	*138,478	510,783
Add: Prev. surplus	1,029,387	518,599
Balance carried for'd	890,909	1,029,387

*Deficit.

Times Bond Interest Earned:

Before depreciation	0.93	8.75
After depreciation	...	7.06

Earnings per Share and Dividend Record:

Preferred:		
Earned	...	$32.04
Paid	$6.50	6.50
Common:		
Earned	...	5.11
None paid.		

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Common	20	5	45	18	55	40

*To Oct. 6.

Phoenix Elevator Co.

Reorganized Electric Elevator Operates Under Experienced Auspices

Electric Elevator & Grain Co., which made total losses of about $2,000,000 in 1929 as the result of misuse of warehouse receipts and lake shipper's transfer certificates in connection with unsuccessful speculative activities of an official no longer with the company, has been reorganized as the Phoenix Elevator Co. This result has been achieved through the co-operation of the larger creditors and the assistance of prominent individuals in the Winnipeg Grain Exchange. Bond interest and sinking fund payments have been met and ordinary creditors of the old company have either waived their claims or have been settled with.

Through the sale of 6 per cent preferred stock sufficient working capital has been obtained and a contract for the operation of the property entered into with McCabe Bros. Grain Co. Class "A" shareholders of Electric Elevator & Grain receive one share Phoenix for each Class "A" share and Class "B" receives one common for every four Electric Elevator held.

The capitalization of the company as reorganized is as follows:

Capitalization—
1st pref. 6% cum., red. $85,000
Common, no par value .... 29,997 shs.
Management preferred .... 3 shs.

Funded Debt—
First mortgage 6 per cent bonds, due 1944, outstanding $488,200.

Alberta Pacific Grain

Heavy Losses in Wheat Are Followed by Change in Management

Alberta Pacific Grain Co. report for the last year has not yet been published but it is certain to reveal a materially weakened position due, it is said, to unsuccessful speculation in grain and to other causes.

There has been a complete change of managerial control. While it will take some time, even under favorable trade conditions, for the company to recover its losses of the last year, the shareholders can view the future hopefully. The present management bears an excellent reputation and it is the earnest wish of the grain trade in general that this company, which has been of public investment interest for a longer period than most of the others, be restored to public confidence.

Alberta Pacific Grain Co. owns 375 local elevators in Saskatchewan and Alberta with a total capacity of 14,700,000 bushels; a terminal elevator at Calgary, capacity 250,000 bushels, and a large number of dwellings, coal sheds, flour sheds, etc. The company also owns a terminal elevator at Vancouver with a storage capacity of 2,225,000 bushels which is leased to the Vancouver Terminal Co. and has substantial holdings in several elevator companies at Port Arthur and Fort William.

Capitalization— Authorized Outstanding
Com. class "A" .. 80,000 shs. 80,000 shs.
Com. class "B" .. 20,000 shs. 20,000 shs.
(No par value).
Pref. 7% cum. $3,000,000 $3,000,000
$100 par, redeemable at 105).

Funded Debt—
First mortgage 6% sinking fund gold bonds, Due June 1, 1946. Auth. and issued, $3,500,000; outstanding, $3,119,000.

Dividend Record—
Preferred 7% cumulative, payable Jan., April, July and Oct. 1. Paid regularly since incorporation. None paid on common.

Officers and Directors—
J. C. Gage, pres.; J. R. Murray, gen. mgr.; Cecil Lamont, sec.; S. B. Phipps, treas.; A. C. Michael, Charles W. Band, D. A. Campbell, A. F. Culver.

INCOME AND SURPLUS ACCOUNT
Years Ended June 30

	1929 $	1928 $	1927 $
Net earn.	1,440,906	1,352,505	967,403
Less:			
Deprec.	196,479	181,520	166,546
Bond int.	211,210	206,500	219,733
Inc. tax, fees, etc.	119,840	84,702	......
Net profit	913,377	879,783	581,124
Pref. divs.	210,000	210,000	227,500
Surp. for yr.*	703,377	669,783	353,624
Prev. surp.	1,023,407	353,624	
Bal. car. fwd.	1,726,784	1,023,407	353,624

*Before provision for income tax.

Times Interest Earned:

Bef. deprec.	6.82	6.55	4.40
After depr.	5.89	5.67	3.64

Earnings Per Share and Dividend Record:

Preferred:			
Earned	$30.45	$29.33	$19.37
Paid	7.00	7.00	*7.66
Class "A" and "B":			
Earned	7.03	6.70	3.54

No dividend paid on either class.
†13 months.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Com.	28	9	67½	25	70½	48
Pref.	91	45	101¼	84	102	96½

*To October 6.

Toronto Elevators

Toronto Elevators, Limited, which was incorporated under Ontario laws in 1928, operates a public storage elevator on the Toronto waterfront, in which it transfers and stores grain, also does a general grain and feed business, and through a subsidiary conducts a transfer and storage elevator in Sarnia.

The two elevators owned or controlled by the company have a combined capacity of 5,000,000 bushels; 2,000,000 bushels in Toronto and 3,000,000 bushels in Sarnia. The company has not had a normal year's operations since it was incorporated, and its earnings have reflected the tie-up in grain which has lasted almost ever since it was formed under the present name. Earnings for its fiscal year ending September 30, 1930, therefore, do not come up to what the company can expect when grain movements become normal. The elevators have been filled but there has not been an active movement in and out of elevators, which is the most profitable part of an elevator company's business, other than domestic business which has not been far from the usual volume.

The storage charges have enabled the company to earn all its charges and to show a little profit as well. This is regarded as encouraging.

Capitalization— Authorized Outstanding
Pref. 7% cum. $1,500,000 $1,500,000
(Par $100.)
Common (shs.) ... 40,000 25,000
(No par value.)
Preferred is redeemable at 110; convertible into three common shares. 15,000 common shares are reserved for the conversion of preferred.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, cumulative from Apr. 15, 1929, payable quarterly, Jan., Apr., July and Oct. 15.
Common—None paid.

Officers and Directors—
Officers — James Playfair, pres.; F. K. Morrow, vice-pres.; G. C. Leitch, man. dir.
Directors—James Playfair, Midland; F. K. Morrow, G. R. Cottrelle, H. N. Bawden, G. C. Leitch, Toronto; F. Wellington Hay, M.P., Listowel; G. R. Martin, Minneapolis, Minn.; R. J. Pinchin, Midland, Ont.

INCOME AND SURPLUS ACCOUNT
Period ended September 30, 1929
(Being 10½ months' operations of Toronto Elevators, Limited, and a full year's operations of The Sarnia Elevator Company, Limited).

	$
Earnings from operations	281,914
Less: Int. on City of Sarnia loan	19,395
Depreciation	52,905
Income tax reserve	14,779
Net profit	194,835
Less appropriations:	
Interest on loans refunded from proceeds of preferred stock	20,833
Preferred dividends	52,500
Surplus carried forward	121,497
Earn. per Share and Div. Record:	
Preferred, earned	$11.60
Paid	3.50
Common earned	4.86
None paid.	

Market Record:

	1930* High	Low	1929 High	Low
Common	21	12	27	19

*To October 6.

Kingston Elevator

Kingston Elevator Co., subsidiary of Canada Steamship Lines, Ltd., operates an elevator at Kingston having a capacity for 2,500,000 bushels of grain. Ultimate capacity will be 4,000,000 bushels. Construction was started early in 1930 and the work was finished in time to handle the current year's grain crop.

Capitalization— Authorized Outstanding
Common .... 10,000 shs. *2,000 shs.
*All of the outstanding stock, other than directors' qualifying shares, is owned by Canada Steamship Lines.

Funded Debt—
First mortgage bonds, 6%, due 1950, outstanding $1,500,000.

Officer—
W. H. Coverdale, pres.

Federal Grain Co.

New Management Appointed—Experienced and Has Public Confidence

Federal Grain Co., is a merger little more than a year old of nine elevator companies whose total resources include 348 country elevators with a capacity of 11,250,000 bushels, 64 coal sheds, 55 flour sheds as well as annexes, cottages and three terminal elevators at Fort William and Port Arthur with a combined capacity of 7,250,000 bushels.

As its year ended July 31, 1930, the annual report is expected soon. Interest attaches to the report more than most years in view of the resignations of James Stewart as chairman of the board and of A. C. Michael as general manager. Operations have been in a difficult year.

Capitalization— Authorized Outstanding
Pref. 6½% cum. .. $4,000,000 $3,000,000
Common (n.p.v.):
Class "A" ...... 160,000 sh. 160,000 sh.
Class "B" ...... 40,000 sh. 40,000 sh.
Preferred is redeemable at 108. Non-voting unless six consecutive quarterly dividends in arrears, and until fully paid.
Class "A" shares have no voting rights, but are otherwise equal with class "B."

Dividends—
Preferred—6½ per cent per annum, cumulative, payable 1 Feb., May, Aug. and Nov.
Common—None paid.

Funded Debt —
6 per cent first mortgage sinking fund bonds, series "A," due 1949; outstanding $4,250,000.

Officers and Directors—
J. C. Gage, pres.; H. E. Sellers, vice-pres. and man. dir.; F. W. Riddell, H. J. Symington. K.C., H. D. K. Sellers, J. H. McDonald, Alan H. Williamson.

United Grain Growers

Farmers' Company Pays 6 Per Cent Dividends in Difficult Year

Report of United Grain Growers for the year ended July 31, 1930, is not yet available. That the common, in common with other grain and elevator companies, will show a reduction in earnings is expected owing to the fact that the dividend, which had been 8 per cent on the $25 par stock since 1923, has been reduced to 6 per cent.

This company is a well-managed one and the statement of the president in August that the company had come through a difficult year satisfactorily is reassuring to shareholders. Only persons directly or indirectly connected with agriculture may be shareholders and the amount of individual holdings is limited. The company has 30,000 shareholders.

United Grain Growers' bonds should continue to be satisfactory investments. The company is one of largest in the grain trade, operating 463 elevators, 47 annexes, 231 flour houses and 284 coal sheds in the three prairie provinces.

Capitalization— Authorized Paid-up
Com. ($25 par) $5,000,000 $3,162,986
Capital stock is owned by approximately 30,000 shareholders most of whom are grain growers in the territory in which the company operates.

Funded Debt—
First mortgage 5% bonds, Series "A," due 1948; outstanding, $3,653,500.
First mortgage 5½%, Series "B," due 1949; outstanding, $750,000.

Dividend Record—
Common—10% paid 1911-1917 inc.; 6%, 1919; 8%, 1920; 6%, 1921; 8% regularly from 1923 to 1929 inc.; 6% paid Sept. 1, 1930.

Officers and Directors—
Officers—R. S. Law, pres. and gen. mgr.; J. J. MacLellan, 1st vice-pres.; J. F. Reid, 2nd vice-pres.; C. E. Jackson, sec.
Directors—J. F. Reid, Orcadia, Sask.; F. J. Collyer, Welwyn, Sask.; J. Morrison, Yellowgrass, Sask.; G. E. Roose, Camrose, Alta.; D. G. McKenzie, Brandon, Man.; C. E. Hope, Fort Langley, B.C.; R. Shannon, Grandora, Sask.; S. S. Sears, Nanton, Alta.; R. C. Brown, Pilot Mound, Man.
Executive Committee—E. E. Bayne, R. S. Law, J. F. Reid, F. J. Collyer, J. J. MacLellan.

UNITED GRAIN GROWERS, LIMITED,
Years Ended August 31

	1929 $	1928 $	1927 $
Gross earn.	3,395,934	3,347,315	3,275,949
Less: Op. exp.	2,237,757	2,141,069	2,173,398
Net earn.	1,158,177	1,206,246	1,102,551
Less: Depr.	418,118	298,274	275,055
Bond and mtge. int.	246,686	193,141	107,230
Net profits for year	493,373	714,831	720,266
Less appropriations:			
Com. div.	252,271	243,157	237,245
Pat. divs.	.....	114,756	76,972
To gen. res.	.....	185,012	42,984
To deprec.	.....	226,316	310,000
Alta. pool	.....	......	49,625
Surp. for yr.	241,102	†54,410	3,490
Add:			
Prev. surp.	502,373	605,988	664,565
Less:			
Payment to Sask. Co-Op. Wheat Producers	.....	......	3,359
Dom. inc. tax on prior yrs.	59,107	49,205	58,708
Bal. car. for.	684,368	502,373	605,988

† Debit after transfer to reserves.

Times Mortgage and Bond Interest Earned:

Before depr.	6.25	10.28	....
After depr.	4.70	7.72	....

Earnings Per Share and Dividend Record†:

Common:			
Earned	$3.90	$5.77	$6.04
Paid	2.00	2.00	2.00

† Earnings are based on the approximate number of fully paid-up shares and before Dominion income tax.

Midland & Pacific Grain

Midland & Pacific Grain Corp. operates some 40 elevators in the prairie provinces and, through a subsidiary, operates a terminal elevator at Vancouver.

Capitalization— Authorized Outstanding
Pref. 7% cum. .. $1,000,000 $485,000
($100 par).
Common 100,000 shs. 100,000 shs.
(No par value).
Preferred is callable at 105; sinking fund provided.

Dividends—
Preferred—7% per annum, cumulative, payable 1 Jan., Apr., July and Oct. Initial dividend paid July 1, 1928, and regularly since. Common—none paid.

Funded Debt—
None.

Officers and Directors—
A. C. Randall, pres., Winnipeg; C. W. Roenisch, vice-pres. and man. dir., Calgary; J. Whittle, treas. and Vancouver mgr.; A. Watson, sec., Calgary, C. E. Huntting, Jr., Winnipeg; D. Clive Betts, Calgary.

INCOME AND SURPLUS ACCOUNT
Years Ended July 31

	1930 $	1929 $
Operating profit	225,724	181,150
Less: Depreciation	51,768	50,767
Res. for bad debts	29,000	13,015
Res. for income tax	9,860	10,000
Net profit	135,596	107,368
Less: Pref. divds.	35,000	35,000
Surplus for year	100,596	72,368
Add: Prev. surplus	810,672	738,304
Bal. carried forward	911,268	810,672
Earnings Per Share and Dividend Record—		
Pref.: Earned	$27.96	$21.47
Paid	7.00	7.00
Common: Earned	1.01	0.72
None paid.		

MIDLAND & PACIFIC TERMINAL

Capitalization— Authorized Outstanding
Common ($100 par) $500,000 $200,000
All owned by Midland & Pacific Grain Corp., Ltd.

Funded Debt—
6½% first mortgage sinking fund bonds, due 1943; outstanding, $455,000.

Officers and Directors—
A. C. Randall, pres.; C. W. Roenisch, vice-pres.; J. Whittle, man. dir. and sec. at Vancouver; A. Watson, sec.

Milling Companies

Western Canada Flour Mills

Company Maintains Dividends in Difficult Year—Current Business Improves

Western Canada Flour Mills Co., which was incorporated in Ontario in 1905, owns and operates directly or through its subsidiary companies flour and cereal mills at Goderich, Winnipeg, Brandon, Calgary, South Edmonton and Victoria. Its mills have a combined daily capacity of 10,000 barrels of flour and 1,000 barrels of oatmeal and other cereals. It has as well country and terminal elevators with a total storage capacity of 7,300,000 bushels of grain, and warehouses at the principal ports. It has recently entered the bakery field and has acquired several plants in the larger Canadian cities.

In 1929 Purity Baking Co. was incorporated to hold the bakery investments of the parent company, and in August, 1929, this company acquired Lawrence's Bakery, of Toronto.

The company has been a consistent dividend payer.

It paid dividends even in the year ending August 31, 1930, when it was necessary to trench on the large accumulated surplus to the extent of $100,000 to pay the common dividend. That year was a very difficult year for flour milling companies, and this action was thought to be conservative in view of the company's strong liquid position and the fact that current operations are on a better basis.

Capitalization— Authorized Outstanding
Common 150,000 shs. 115,895 shs.
(No par value).
Pref., 6½% cum. $3,000,000 $2,465,600
($100 par; redeemable at 110; sinking fund provided).

Funded Debt—
None.

Dividend Record—
Preferred: 6½ per cent per annum, paid quarterly, Mar., June, Sept. and Dec. 15, since June, 1926.
Common: $1.40 per share per annum, paid quarterly, Mar., June, Sept. and Dec. 15, paid regularly since 1926.

Officers and Directors—
D. B. Hanna, pres.; A. J. Mitchell, vice-pres.; J. J. Page, gen. mgr.; R. G. O. Thomson, sec.; R. A. Pridham, treas.; J. W. Horn, asst. gen. mgr.
Directors—D. B. Hanna, A. J. Mitchell, Sir John Aird, R. G. O. Thomson, J. J. Page, J. H. Gundy, Toronto; Senator G. H. Barnard, K.C., R. H. B. Ker, Victoria; Sir Hormisdas Laporte, K.B., K.C., Montreal; John Davidson, London, Eng.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years ended August 31

	1930 $	1929 $	1928 $
Net profit†	221,416	556,352	409,397
Less appropriations:			
Pref. divds.	159.661	160,722	160,875
Com. divds.	162,232	161,000	140,875
Surp. for year	*100,477	234,630	107,647
Prev. surp.	1,005,612	820,982	713,334
Less: Pension fund res.	......	50,000	......
Bal. forward	905,135	1,005,612	820,981

† After depreciation, income tax and reserves for doubtful accounts.
* Deficit.

Earn. per Sh. and Div. Record:

Pref., earned	$9.07	$22.52	$16.54
Paid	6.50	6.50	6.50
Com., earned	0.53	3.44	2.16
Paid	1.40	1.40	1.40

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Com.	25	16	41	25	50	31½
Pref.	104	96	105½	101	108	101½

* To October 6.

United Farmers Co-op.

United Farmers Co-operative Co. is an Ontario enterprise which has been on a sounder basis since the writing down of capital in 1926 and the elimination of the more unprofitable operations. The company has 20,000 shareholders.

Capitalization— Authorized Outstanding
Common (n.p.v.) 72,259 shs. 70,058 shs.
In order to wipe out an impairment of capital, the company, in 1926, reorganized the capital structure, changing the authorization from 50,000 shares, par value $25, to 72,259 shares, no par value. Shareholders were given one no par value share for each $12.50 paid in by shareholder. In this way $500,000 outstanding capital was written down.

Funded Debt—
None.

Dividends—
Present rate 65c per share per annum, payable yearly, 1st Jan. Dividends are declared at the annual meeting and are paid in the subsequent year. 7% was paid on the old stock from 1915 to 1920. None to 1925 when 3% was paid. In 1929 $1.00 per share was paid, being one payment of 50c dividend for 1927 and 1928. A dividend of 65c was declared for 1929. Subject to approval of shareholders actual payment of dividends is to be made every two years.

Officers and Directors—
Officers—H. A. Gilroy, pres., Alvinston; G. W. Buchanan, vice-pres., Carleton Place; H. B. Clemes, gen. mgr.; J. J. Morrison, sec.-treas.
Directors—H. A. Gilroy, G. W. Buchanan, R. J. McMillan, Seaforth; W. A. Amos, Palmerston; Carl Jones, Port Stanley; R. H. Halbert, Uxbridge; Harold Currie, Strathroy; J. G. Whitmore, Woodbridge; Herbert Millar, Forester's Falls.

INCOME AND SURPLUS ACCOUNT
Years Ended September 30

	1929 $	1928 $	1927 $
Net earn. from trading	73,791	59,821	39,197
Less:			
Mtge., sink. fd., reserve	5,860	4,988	......
Prov. for loss on gr. opt.	6,000	......	......
In. tax res.	5,721	4,626	3,018
Net profits	56,210	50,207	36,184
Less:			
Divds. paid	†70,274	......	......
Surp. for yr.	*14,064	50,207	36,184
Add:			
Prev. surp.	87,055	36,811	......
Excess tax prov.	......	37	627
Special surplus re cold stor. subsidy	......	25,980	25,980
Bal. forwd.	72,991	113,035	62,791

*Deficit.
†Dividend declared at rate of 50c per share for 1927 and 1928, paid in 1929.

Sussex Ginger Ale

Sussex Ginger Ale, Ltd., was formed in 1929 to take over the Sussex Mineral Springs, and the Sussex Beverage Co. These companies manufacture various carbonated beverages and their plants, situated at Sussex, N.B., have a capacity of 200,000 cases a year.

Capitalization— Authorized Outstanding
Pref. Cum. 7% .. 7,500 shs. 7,500 shs.
(Par $40.)
Common .... *15,000 shs. 4,000 shs.
(No par value.)
Preferred has preference as to assets and as to cumulative dividends of $2.80 per share per annum, and to a further dividend of 40c. per share before any dividend is paid on common; redeemable at $45. Convertible into common, share for share, up to Oct. 1, 1934. 7,500 common shares have been reserved for the exercise of this conversion.

Funded Debt—
None.

Dividend Record—
Preferred—Cumulative $2.80 per annum, accrued from Oct. 1, 1929, payable quarterly, commencing Jan. 1, 1930.

Officers and Directors
C. G. Armstrong, pres.; Chelmsford, Mass.; J. H. Pearn, vice-pres.; Sussex, N.B.; J. D. McKenna, St. John; W. I. MacDougall, Halifax, J. MacMurray, St. John.

Maple Leaf Milling

Management Changed; Heavy Losses Written Off; Current Operations Profitable

The surplus of Maple Leaf Milling Co. is shown at slightly more than $100,000 as at July 31, 1930, compared with $5,400,000 as at March 31, 1929. This sensational change, according to the statement signed by C. W. Band, president, is due to unauthorized speculations and loans by and on behalf of former officers.

A comprehensive review of the last report appears elsewhere in this issue.

According to the present management, all possible losses have been provided for out of surplus and it is stated, further, that current operations are being conducted at a profit. All dividends have been suspended.

Bank loans are high and it will be some time, even under favorable conditions, before the company will be restored to its former strength from an investment point of view. But there is every reason for confidence in the present financial administration and a gradual improvement reasonably may be expected.

Capitalization— Authorized Outstanding
Class "A" Pref. .. $3,500,000 $2,930,000
(Par $100).
Class "B" Pref. .. 25,000 shs. 25,000 sh.
(No par value).
Common .... 100,000 sh. 100.000 sh.
(No par value).
In June, 1929, shareholders ratified the split of the 25,000 common shares of $100 par value on the basis of 1 share of class "B" preference and 4 shares of new no par value common.

Funded Debt—
First mortgage 5½ per cent bonds, due 1949, outstanding $5,000.000.
The 6½ per cent bonds, due 1943, were called for redemption Feb. 1. 1930, at 103.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable quarterly, Jan., April, July and Oct. 18. Paid regularly from 1910 until passed 18, 1930.
Class "B" preferred—6 per cent per annum, cumulative, payable semi-annually, Jan. and July 1; accrues from July 1, 1929. Initial dividend paid Jan. 1, 1930. Passed July 1. 1930.
Common—None paid since 1923. when 2 per cent was paid on old stock.

Officers and Directors—
Officers—C. W. Band, pres.; N. P. Lambert, acting gen. mgr.; J. A. Lehman, sec.
Directors — H. J. Symington, Winnipeg; Chas. W. Band, R. S. Waldie. J. L. Henderson(Major A. E. Nash, Toronto; Robert Cooper, Welland, Ont.; D. L. Cameron, Vancouver, B.C.; E. R. Decary, Montreal, S. W. Riddell, Calgary.

CONSOLIDATED INCOME & SURPLUS ACCOUNT

	1930 $	Yr. end. Mar. 31, 1929 $	Yr. end. Mar. 31, 1928 $
Net earn.	†2,868,550	1,209,326	513,293
Less: Depr.	343,297	......	......
Bond int.	316,009	113,376	117,343
Prov. for taxes	......	98,000	......
Res. for b. debts:			
Trade accounts	326,860	......	......
Former officers	862,590	......	......
Extension exp. w/o	148,775	......	......
1923 bond exp. w/o	127,074	......	......
Net profit	†4,993,156	997,950	395,950
Less appropriations:			
7% pref. divs.	243,202	205,100	205,100
Class "B" pf. divs.	70,446	......	......
Surp. for yr.	‡5,306,804	792,850	190,850
Add: Prev. surplus	5,4190,690	2,267,311	2,076,461
Bal. forward	103,886	3,060,161	2,267,311

*Sixteen months ended July 31, 1930.
†Loss.
‡Deficit.

Times Bond Int. Earned	....	10.66	4.38
Earnings Per Share and Divid. Record—			
7% Pref.:			
Paid	8.75	7.00	7.00
Earned	...	$34.06	$13.51
Class "B" pref.:			
Earned	...	...	...
Paid	3.00	...	...
Common:			
Earned	...	31.71	7.63
Paid	...	...	...

Ten Years' Earnings

Year	Earnings	Dividends	Surplus
1921	917,158	505,100	2,060,949
1922	543,146	505,100	1,834,111
1923	646,121	405,100	1,664,852
1924	384,062	255,100	1,641,447
1925	520,604	205,100	1,829,115
1926	452,758	205,100	1,033,518
1927	469,345	205,100	2,076,461
1928	513,293	205,100	2,267,311
1929	1,209,326	205,100	3,060,161
1930	‡2,868,550	313,648	103,886

‡Latest available.

Market Record—(Calendar Year)—

	*1930 H	L	1929 H	L	1928 H	L
Com.	15	13	†35	24	160	94
Pref.	106⅛	48	115	100	115	103

*To Oct. 6.
†New stock.

DOMINION BAKERIES
(Controlled by Maple Leaf Milling)

Capitalization— Authorized Outstanding
1st pref. $2,000,000 $575,000
2nd pref. 250,000 210,000
(Par $100).
Common .... 100,000 shs. 25,007 shs.
(No par value).
1st pref.—6½ per cent, cumulative, redeemable at 105.
2nd pref.—6½ per cent, cumulative from March 1, 1930, redeemable at par; convertible at the option of the holder into four common shares.
A majority of the second preferred and common stock is owned by the Maple Leaf Milling Co.

Funded Debt—
None.

Dividend Record—
First and Second Preferred—6½ per cent per annum, cumulative, payable Mar., June, Sept. and Dec. 1. Initial dividend on first pref. paid Sept. 1, 1928, and regularly since. No dividends may be paid on the second preferred or common, which would reduce net working capital to below 20 per cent of first preferred outstanding. A reserve fund is provided before payment of second preferred or common dividends of 1½ per cent of first preferred stock outstanding.

Officers and Directors—
Officers—George A. MacKey, pres. and gen. mgr.; C. W. Band, vice-pres.; G. A. Scrimger, sec.-treas.
Directors—George A. MacKey, C. W. Band, E. R. Decary, A. R. MacDonald, Everett Bristol, C. S. Band, A. F. Culver.

INCOME AND SURPLUS ACCOUNT
Year Ended August 31, 1929

Net earnings from operations	$90,378
Less: Depreciation	10,601
Income tax provision	4,347
Net profit for year	75,430
Less: 1st pref. dividends	37,375
Surplus for year carried forward	$38,054
Earn. per Share and Div. Record—	
1st Pref.: Earned	$10.40
Paid	6.50
2nd Pref.: Earned	18.12
Paid*	...
Common: Earned†	0.98
Paid	...

*Cumulative from March 1, 1930.
†Calculated as if dividends had been paid on 2nd preferred.

McGavin Ltd.

McGavin Ltd. operates a bakery in Edmonton and has a sales organization for its products in Central Alberta and in parts of Saskatchewan and British Columbia. The business was established in 1913.

Capitalization— Authorized Issued
Pref. 7% cum. $250,000 $250,000
(Par $100).
Common 500,000 500,000
(Par $100).

Funded Debt—
None.

Dividend Record—
Preferred 7 per cent, payable Jan., April, July and October 1.

Ogilvie Flour

Dividend Earned Last Year Despite Adverse Conditions

Ogilvie Flour Mills, is one of the largest milling companies in the British Empire. Owing to adverse conditions in the export market for flour during the past year, the company's earnings showed a marked decline though they were well in excess of dividend requirements. In addition to its milling operations, Ogilvie Flour derives a substantial proportion of its income from its investments which now total over $12,000,000.

The company owns nine mills having a total daily capacity of 20,500 barrels of flour and 2,250 barrels of cereal products. The company also owns a barrel factory having a daily capacity of 3,000 barrels and operates a fleet of 10 steamers on the Great Lakes, transporting the company's grain from ports on the upper Great Lakes to Montreal ports.

Ogilvie Flour Mills occupies a strong financial position and has a proven record of earnings in which shareholders have shared liberally.

Capitalization— Authorized Outstanding
Pref. 7% cum. .. $2,000,000 $2,000,000
($100 par).
Common (n.p.v.) . 75,000 shs. 75,000 shs.
Preferred is not callable.

Funded Debt—
6 per cent first mortgage bonds, due 1932; outstanding: Series "A," $1,000,000, Series "B," $750,000; Series "C," $600,000.

Dividend Record—
Preferred—7% per annum, payable 1st Mar., June, Sept. and Dec.; paid regularly since 1902.
Common—8% per annum, payable 1st Jan., Apr., July and Oct. A bonus has also been paid on common for a number of years.
Bonuses on common stock—100% stock bonus, 1908; 4%, 1916; 15%, 1917-1919; 10%, 1920, 1922 and 1923; 13%, 1924. (New stock)—$3 a share, Oct. 1925; $5, 1926; $10, 1927; $15, 1928; $17, 1929; $5 in 1930.

Officers and Directors—
Officers—W. A. Black, pres.; R. R. Dobell, vice-pres.; G. A. Morris, asst. to pres. and sec.; J. C. McLaughlin, treas.; H. K. Hepburn, asst. sec.-treas.; H. Sellers, western mgr.; V. W. Maclean, Fort William, mgr.; H. Norman Davis, Medicine Hat, mgr.; D. A. Grout, Edmonton, mgr.
Directors—Sir Montagu Allan, C.V.O., W. A. Black, R. R. Dobell, Sir Charles B. Gordon, G.B.E., Sir Herbert Holt, K.B., Elwood B. Hosmer, F. K. Morrow, J. W. McConnell, E. L. Pease, Montreal, P.Q.; Sidney T. Smith, Winnipeg, Man.

INCOME AND SURPLUS ACCOUNT
Years Ended August 31

	1930 $	1929 $	1928 $
Net profit*	1,127,436	2,381,741	1,941,550
Less appropriations:			
Pref. divds.	140,000	140,000	140,000
Com. divs. and bonus	975,000	1,875,270	1,500,000
Surp. for yr.	12,436	366,471	301,550
Add: Pr. surp.	3,144,713	2,777,972	2,476,422
Bal. car. for'd	3,157,149	3,144,713	2,777,972
Earnings per Share and Dividend Record:			
Pf.: Earned	$56.37	$119.09	$97.07
Paid	7.00	7.00	7.00
Com.: Earn.	13.17	29.89	24.02
Paid: Div.	8.00	8.00	5.00
Bonus	5.00	17.00	15.00

* Bond interest deducted.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1921	$ 636,303	$ 440,000	$1,709,835
1922	846,989	690,000	1,866,875
1923	824,227	690,000	2,001,103
1924	1,152,217	765,000	2,138,320
1925	758,145	721,250	2,175,215
1926	1,000,873	890,000	2,286,089
1927	1,755,332	1,265,000	2,476,421
1928	1,941,550	1,640,000	2,777,972
1929	2,381,741	2,015,270	3,144,713
1930	1,127,436	1,115,000	3,157,149

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Common	450	250	700	495	480	380
Preferred	131	124½	139	125	143	125

* To Oct. 13.

Lake & Rail Warehouse

Canadian Bondholders Are Interested in Company's Expansion Plans

Lake & Rail Warehouse & Elevator Corp., wholly owned by International Milling Co., is itself a holding company owning a warehouse, grain storage and transfer elevator of about 3,360,000 bushels and a flour mill with a daily capacity of 6,000 barrels on the Buffalo inner harbor. It is proposed to add 1,300,000 bushels capacity to the elevator.

The chief interest of the Canadian public is in the company's $1,400,000 issue of 6 per cent bonds,

LAKE & RAIL WAREHOUSE & ELEVATOR
(Wholly Owned by International Milling Co.)

Capitalization—
Authorized and issued 20,000 common shares, no par value, all owned by International Milling Co.

Funded Debt—
6% first mortgage, sinking fund bonds, series "A," due 1951; outstanding $1,358,500. Guaranteed, interest and sinking fund by International Milling Co. Series "B" 6%, outstanding $600,000.

Officers and Directors—
J. J. Kovarik, vice-pres.; J. B. Webster, vice-pres., New York; D. C. Carnegie, vice-pres.; W. A. Lansker, sec.-treas., Buffalo, N.Y.

International Milling

Preferred Stock Dividends Are Earned Several Times Over

International Milling Co., Delaware incorporation, conducts its Canadian business under the name of Robin Hood Mills, Ltd., a wholly owned subsidiary. It produces hard wheat flours, oatmeal, rolled oats, cornmeal, corn flour, chicken and poultry feeds and by-products in mills at Calgary, Moose Jaw, Saskatoon, Canada, New Prague and Blue Earth, Minn., Davenport and Sioux City, Iowa; and at Buffalo, N.Y. Its combined daily capacity is 22,000 barrels of flour and 1,800 barrels of cereals. It has storage capacity in country and city of 11,000,000 bushels.

The company was incorporated originally in 1910 in Minnesota, and has grown to its present dimensions since then by a process of acquiring new properties and expanding the old. It has a good dividend record and working capital is strong.

Capitalization— Authorized Outstanding
1st pref. $5,000,000
7 Original series } $3,119,900
6% series "A" .... } 989,600
2nd pref. 1,000,000
Common (n.p.v.) . 100,000 sh. 100,000 sh.
First Preferred—May be issued in different series, varying in dividends payable and in callable price, but ranking pari passu in all other respects, 7% is redeemable at 110, 6% at 107; sinking fund provided. The stock is non-voting, except as follows: if 4 quarterly dividends in arrears, equal voting rights with common until fully paid; if 8 quarterly dividends in arrears, or if 4 semi-annual sinking fund installments are in default, and until fully paid, sole voting rights, but may only elect two-thirds of the board of directors. Special provisions govern the authorization of additional first preferred.
• Common—Carries one vote for each share. Not publicly offered.

Dividends—
First Preferred—Original issue, 7%, series "A," 6% per annum, cumulative, payable quarterly, 1st March, June, Sept. and Dec. 7% has been paid regularly since incorporation. 6% paid regularly from March, 1929.
Common—Present rate $15 per share per annum, payable in December. $4.60 paid in 1924; $5.75 in 1925; $6.35 in 1926; $10 in 1927 and 1928; $15 in 1929.

Funded Debt—
None. The 6% first mortgage sinking fund bonds, due, 1930, were redeemed July. 1, 1930. Outstanding $402,500.

Officers and Directors—
F. A. Bean, pres.; F. A. Bean, Jr., vice-pres.; W. L. Harvey, sec.-treas.; H. F. Marsh, J. R. Morris, F. V. Spofford, all of Minneapolis, Minn.; J. J. Kovarik, Buffalo, N.Y.; A. E. Ames, Toronto.

INCOME AND SURPLUS ACCOUNT
Years Ended Aug. 31

	1929 $	1928 $	1927 $
Net profits‡	1,564,720	1,565,140	1,098,682
Less:			
7% pfd. divs.	216,925	205,009	131,854
6% pfd. divs.	19,689	......	......
Common divs.	712,500	462,500	450,000
Premiums	3,676	554	......
Surp. for year	611,930	897,077	466,828
Add:			
Prev. surp.	4,887,828	3,810,171	3,239,043
Sale of treas. stock	135,287	116,575	104,300
Prem. on sale pfd. stock	19,000	19,500	......
Over-prov. for inc. taxes	14,101	44,505	......
Less: Comm. on sale of stk.	70,000	......	......
Bal. forward	5,598,146	4,887,828	3,810,171

‡After provision for taxes on profits and bond interest.

Earnings Per Share and Dividend Record:

1st pref., 7%:			
Earned	*$38.07	$52.58	$40.25
Paid	7.00	7.00	7.00
1st pref., 6%:			
Earned	*38.07	...	...
Paid	3.00	...	...
Common:			
Earned†	13.28	27.20	18.33
Paid§	15.00	10.00	10.00

*Based on the total number of first preferred shares outstanding as at August 31, 1929.
†Based on the full number of shares issued, being 50,000 shares from 1923 to 1928, inclusive, and 100,000 shares in 1929.
§Paid on common shares exclusive of treasury stock.

Eight Years' Earnings—

Year	Earnings	Dividends	Surplus
1922	$560,012	$287,357	$1,087,838
1923	405,255	37,234	2,146,924
1924	703,696	384,000	2,434,411
1925	790,796	446,351	2,747,916
1926	1,025,157	504,336	3,239,043
1927	1,127,013	631,854	3,810,171
1928	†1,565,140	667,508	4,887,828
1929	†1,564,720	949,114	5,598,146

†After bond interest.

Market Record—(Calendar Year)—Toronto.

1st Pref.:	*1930	1929	1928
7% High	105	111	111
Low	95	102	107½
6% High	92	...	...
Low	88	...	...

*To Oct. 13.

N. S. Cold Storage

Nova Scotia Public Storage Terminals owns and operates a modern fireproof plant in Halifax comprising three units; general cold storage; fruit and vegetable cold storage and the rapid freezing and storage of fish. A contract with the Dominion Government provides for payment of a cash subsidy amounting to 30 per cent of the cost of construction and terminal equipment, payable in four annual installments.

The company is reported to be handling a fair amount of business this year.

Capitalization— Authorized Issued
Pref. 7% cum. .. $1,000,000 $220,000
($100 par).
Common (n.p.v.). 150,000 shs. 50,000 shs.

Funded Debt—
6 per cent first mortgage sinking fund bonds, due 1958; authorized, $2,500,000; issued $1,700,000.
5½ per cent serial gold notes, secured by government subsidy; authorized and issued, $326,250.

Officers and Directors—
G. F. Pearson, pres.; B. O. Moxon, vice-pres.; Halifax; E. R. Decary, V. M. Drury, W. G. Hanson, A. T. Weldon, Montreal; G. W. Hensley, E. L. MacDonald, G. MacGregor Mitchell, C. W. Stairs, Halifax.

EMPIRE METERS
For All Liquids
— Hot or Cold —
For All Sizes of Pipe Lines
For Industrial, Municipal and Domestic Needs
Conserves the water supply at the storage reservoirs, measures the gallonage of water used by each consumer. Meters gasoline and oil.
NATIONAL METER COMPANY OF CANADA, LIMITED
Head Office and Factory:
24 Front St. West, National Meter Building, Toronto
Branches: Winnipeg, Man. Vancouver, B.C. London, England

Western Canada Flour Mills Company
LIMITED
And Its Subsidiary Companies

Consolidated Balance Sheet, 31st August, 1930

ASSETS

CAPITAL ASSETS:		
Real Estate, Buildings, Plant and Equipment less Depreciation	$5,796,211.18	
Other Investments	618,446.75	
Patents, Trademarks and Goodwill	1.00	
		$6,414,658.93
CURRENT ASSETS:		
Accounts and Bills Receivable, including accounts of Subsidiary Companies	$ 857,911.78	
Inventories of Grain, Merchandise, Bags, Barrels and Supplies	2,101,925.07	
Cash on Hand and in Bank	70,378.01	
Deferred Charges	48,106.84	
		3,078,321.70
		$9,492,980.63

LIABILITIES

CAPITAL:			
Authorized—30,000 shares 6½% Cumulative Preference Stock of a par value of $100.00 each		$3,000,000.00	
150,000 shares Common Stock of No Par Value			
Issued—25,000 shares of 6½% Cumulative Preference Stock of a par value of $100.00 each	$2,500,000.00		
594 shares redeemed	59,400.00		
		$2,440,600.00	
115,895 shares Common Stock of No Par Value		1,861,480.00	
			$4,302,080.00
CURRENT LIABILITIES:			
Bank Loan		$ 250,000.00	
Dividend Payable 15th September, 1930		80,223.00	
Accounts and Bills Payable		1,112,443.27	
			1,442,666.27
RESERVES:			
For Contingencies, Doubtful Accounts, Income Taxes, etc.		$ 184,004.18	
Pension Fund Reserve		50,000.00	
Property Reserve		1,388,083.66	
General Reserve		1,221,011.64	
			2,843,099.48
PROFIT AND LOSS ACCOUNT:			
Balance 1st September, 1929		$1,005,611.54	
Profit for fiscal year ended 31st August, 1930		221,416.46	
		$1,227,028.00	
Less Dividends for Year		321,893.12	
Balance 31st August, 1930			905,134.88
			$9,492,980.63
INDIRECT LIABILITIES:			
Customers' Paper under Discount		$1,997,981.88	
Guarantee Purity Baking Company, Limited—Loan		1,457,000.00	

We have examined the books and accounts of Western Canada Flour Mills Company, Limited, and its Subsidiary Companies at the 31st August, 1930, and we certify that all our requirements as Auditors have been complied with and report that, in our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of Western Canada Flour Mills Company, Limited, and its Subsidiary Companies at the 31st August, 1930, according to the best of our information and the explanations given to us and as shown by the books of the various companies.

Inventories have been certified as to quantities by the Companies' Officials at the various points and are conservatively valued.

Provision has been made in respect of Depreciation, Income Taxes, Doubtful Accounts and Bills Receivable.

Toronto, 6th October, 1930.

GEORGE A. TOUCHE & CO.,
Chartered Accountants, Auditors.

N. Bawlf Grain

Current Operations Stated to Show Improvement Over Last Year

Though N. Bawlf Grain Company's earnings declined materially in its last fiscal year, it is reported that current operations are showing improvement. The company owns and operates 116 country grain elevators located at railway points in the three prairie provinces. An additional 25 elevators in Saskatchewan are controlled through stock ownership. Combined total storage capacity is approximately 5,450,000 bushels.

Through ownership of capital stock of Bawlf Terminal Elevators, the company controls and operates a modern terminal elevator at Port Arthur, having a combined workhouse and storage capacity of 2,500 bushels.

Capitalization—

Common (n.p.v.)	100,000 shs.	60,000 shs.
Pref. 6½% cum.	$2,500,000	$2,000,000

($100 par, redeemable at 105).

Funded Debt— None, but the company guarantees principal and interest, the first mortgage bonds of subsidiary.

Dividends— Preferred—6½% per annum, cumulative from June 1, 1928, payable quarterly Mar., June, Sept. and Dec. 1. Initial dividend paid Sept. 1, 1928, and regularly since. Common—No set rate. Initial payment of 50c per share made Nov. 1, 1929. None since.

Officers and Directors— Officers—W. R. Bawlf, pres. and man. dir.; G. C. Griffin, vice-pres.; W. J. Pope, sec.-treas.; F. S. Meyer, asst. sec.; E. J. Hopkins, treas.; N. W. Bawlf, asst. treas. Directors—W. R. Bawlf, C. N. Bawlf, N. W. Bawlf, G. C. Griffin, W. Pope, H. W. Webster, all of Winnipeg, Man.; H. J. Symington, K.C., Montreal.

INCOME AND SURPLUS ACCOUNT
Years Ended July 31

	1930 $	1929 $
Operating profit	*257,172	605,751
Less: Deprec.	51,244	101,933
Bond interest	32,288	34,266
Income tax	.....	39,500
Net profits	*340,704	430,052
Less: Pref. divds.	130,000	130,000
Spec. reserve	30,000	40,000
Surplus for year	*500,704	260,052
Add: Previous surplus	1,067,788	807,736
Balance forward	567,084	1,067,788

*Loss.

Times Interest Earned:		
Before depreciation	.....	17.68
After depreciation	.....	14.70
Earnings per Share and Dividend Record:		
Preferred: Earned	.....	$21.50
Paid	$6.50	6.50
Common: Earned	.....	5.00
Paid	.....	...

Market Record—

	1930* H	L	1929 H	L
Pref.	83	74¾	94	82
Common	26	26	31	24

*To Oct. 6.

Bawlf Terminal

Bawlf Terminal Elevator is a subsidiary of N. Bawlf Grain Co. It is engaged in the business of storage and warehousing of grain. The company owns a concrete terminal elevator at Port Arthur, with two units, having a total capacity of 2,500,000 bushels.

BAWLF TERMINAL ELEVATOR
(Subsidiary of N. Bawlf Grain Co.)

Capitalization—	Authorized	Outstanding
Common	15,000 shs.	5,138 shs.

(Par $100.)

All outstanding shares are owned by the parent company, 5,133 being registered in the company's name, and five held as directors' qualifying shares.

Funded Debt— First mortgage 6½ per cent bonds, series "A," due serially to March 1, 1942; outstanding $290,000. Series "B" 6 per cent, due 1942; outstanding $205,000.

Spillers Canadian Milling

Investment interest in Spillers Canadian Milling Co. is confined to the outstanding preferred stock, which was issued to the amount of $240,000 in exchange for the stock of the former company, formed in Calgary, to build the mill. The plant is one of the most modern in the industry but so far the company has not proved a satisfactory investment either to the Canadian shareholders or to the parent company in Britain.

Capitalization—	Authorized	Outstanding
1st preferred	$400,000	None
2nd preferred	250,000	$240,000
Common	350,000	350,000

Par $5.

The common is all held by Spillers, Ltd., of London, Eng. The second preferred shares were issued in exchange for the stock of the company's predecessor, Alberta Flour Mills, Ltd.

Funded Debt— An issue of bonds is held by Spillers, Ltd., of London, Eng.

Dividend Record— Second preferred: 7% non-cumulative. None paid to date.

Officers and Directors— Alexander Hannah, pres.; A. E. Cross, vice-pres.; W. A. Crosbie, mgr.

North American Elevators

North American Elevators is a company that has constructed a 2,000,000 bushel grain elevator at Sorel, on the St. Lawrence near Montreal, and can expand its capacity to 6,000,000 bushels.

Capitalization—	Authorized	Issued
1st pref. 7% cum. ($100 par)	$1,000,000	$316,200
2nd pref. ($100 par)	300,000	300,000
Common (n.p.v.)	100,000 sh.	100,000 sh.

First preferred is non-voting unless eight quarterly dividends are in arrears.

Funded Debt— First mortgage 6½%, Series "A" due 1950, issued $700,000.

Dividends— First preferred—7% per annum, cumulative from June 1, 1929, payable quarterly, 15 Mar., June, Sept. and Dec.

Officers and Directors— J. Playfair, pres., J. E. Russell, chm. of board, J. Simard, F. M. Ross, R. A. Campbell, A. R. Roberts, C. R. Burgess, J. A. Mathewson, K.C., L. Wolfe, E. G. de Grey, gen. mgr.

Picardy Candy (Alberta)

Picardy Candy (Alberta) Ltd. is a subsidiary of Picardy Ltd., which has had a successful history spreading over a decade in Winnipeg and elsewhere in the West. Securities of the Alberta company were offered the public in the present year.

A bakery and manufacturing plant, as well as two retail stores, are operated in Calgary and further expansion in the province is planned.

Capitalization—	Authorized	Issued
Pref. 7% (Par $25.)	$150,000	$75,000
Class "A" com.	12,000 shs.	6,001 shs.
Class "B" com.	10,000 shs.	None

No par value.

Preferred: Has preference as to dividends and assets; callable at $27.50; convertible at any time up to Jan. 1, 1933, into Class "B" common shares at the rate of 5 class "B" shares for each 4 shares of preferred. Common—Classes "A" and "B" rank equally in every respect, except that class "B" is non-voting. 3,001 class "A" shares are owned by the parent company. Sufficient class "B" shares are to be reserved for the conversion of preferred.

All class "A" shares are to be subscribed for at $10 per share.

Dividends— Preferred: 7% per annum, cumulative from Jan. 1, 1930, payable 1st Jan. and July. It is the intention of the company to pay at least $1 per share on class "A" common.

Officers and Directors— Officers—William Ardern, pres.; C. H. Morrison, vice-pres. and man. dir.; C. Vivian, gen man. Directors—William Ardern, Calgary; C. H. Morrison, Winnipeg; F. E. Osborne, Calgary; Adam H. Esch, Edmonton; W. W. Evans, Toronto.

Power Company Builds Offices

The West Kootenay Power and Light Company is building a four-story reinforced concrete, fireproof building at Trail to house its offices and repair shops. The contractors are working day and night to have the structure ready at the earliest possible date.

Baking Companies

Canada Bread Co.

Maintained Its Dividends in Difficult Year—Outlook Favorable

In spite of a year made difficult by keen competition, by increased cost for part of the year for flour, and by higher delivery costs, Canada Bread Co. sold in the year ending June 30, 1930, both in volume and value, more bread and other products than in the preceding year. Because of the difficulties outlined, net earning dropped from $603,112 to $429,326 but the company has been able to maintain its dividends on its preferred and common stocks. With lower cost for flour during the current year, the position is considered to be promising.

The year was featured by resignations of A. A. Ryley and D. O. Ellis from the board of directors and the further resignation of A. A. Ryley as general manager, with the appointment as his successor of the assistant general manager, Victor Loftus. At the annual meeting on August 25, R. S. Waldie and E. D. Gooderham were elected directors to fill the two vacancies.

Canada Bread has acquired 22 bread and cake-making plants in Canada since its inception in 1911 as a consolidation of five companies. The output of the company is more than 1,500,000 counts a week, it serves 111,000 customers daily and sells about $1,000,000 worth of cakes per annum. The company operates 11 plants and two distributing depots. Plants are situated at Montreal, London, Windsor, Brantford, Galt, Hamilton, Ottawa, Winnipeg and there are three in Toronto. The distributing depots are at Oshawa and Westmount.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	200,000 sh.	200,000 sh.
1st pref. 7% ($100 par, non-cum., redeem. at 125)	$1,250,000	$1,250,000
B pref. 7% ($100 par, non-cum., redeem. at 110)	2,500,000	2,500,000

In 1925 the par value of the common stock was reduced from $100 to none, shareholders receiving one new class B pref. share and one new common share for each share held. In May, 1929, the authorized number of common shares was increased from 25,000 to 200,000 and the shares split eight for one.

Funded Debt— 6 per cent first mortgage sinking fund bonds, due 1941, outstanding, $987,800.

Dividend Record— First and "B" preferred, 7 per cent per annum, payable quarterly, Jan., Apr., July and Oct. 1. Paid regularly. Common—75 cents per annum, payable half-yearly, Mar., and Sept. 1. Initial dividend of 37½c. on split stock paid Sept. 1, 1929. After payment of 87½c. per share on common in any year, class "B" and common participate equally in any further distribution.

Officers and Directors— Officers—H. F. Gooderham, pres.; Dr. J. H. McConnell, 1st vice-pres.; C. W. Band, 2nd vice-pres.; Victor Loftus, gen. mgr.; W. S. Antliff, secretary. Directors—H. F. Gooderham, Dr. J. H. McConnel, C. W. Band, R. S. Waldie, E. D. Gooderham, T. P. Loblaw, all of Toronto; H. J. Symington, Montreal.

INCOME AND SURPLUS ACCOUNT
(Years Ended June 30)

	1930	1929	1928
Net earnings*	701,922	952,032	917,957
Add: Invest. inc.	15,491	40,153	43,606
	717,413	992,185	961,563
Less: Deprec.	239,786	281,814	253,417
Inc. tax res.	......	55,000	......
Inc. taxes, etc.	40,622	52,259	......
Loss on sales of invest.	7,679	......	......
Net profit	429,326	603,112	708,146
Less appropriations:			
1st pref. divd.	87,500	87,500	87,500
"B" pref. divd.	175,000	175,000	175,000
Common divd.	150,000	150,000	150,000
Surp. for year	16,826	190,612	295,646
Prev. surplus	1,987,249	1,796,637	1,500,991
Balance for'd.	2,004,075	1,987,249	1,796,637

*After bond interest.

Earnings Per Share and Dividend Record:			
1st pref.: Earned	$34.35	$48.25	$56.65
Paid	7.00	7.00	7.00
"B" pref.: Earned*	16.67	20.62	24.83
Earned†	.....	10.31	12.41
Paid	7.00	7.00	7.00
Common: Earned*	‡0.83	13.62	17.83
Earned†	.....	10.31	12.41
Paid	‡0.75	6.00	6.00

Note.—Class "B" preference shares and common shares participate equally, class for class, in any further distribution of dividends after each of these classes of stock has received dividends amounting to 7 per cent per annum in any one year on the "B" preference and 87½c. on the common.

*Equity behind payments up to $7 per share on "B" preference and old common and 87½c. on new common.

†Maximum distribution per share under participating feature.

‡New common after 8 for 1 split.

Seven Years' Earnings—

	Earnings	Dividends	Surplus
1922	$413,814	$87,500	$487,657
1923	585,819	87,500	711,696
1924	627,388	187,500	923,103
1925	735,994	237,500	1,165,769
1926	813,088	262,500	1,292,884
1927	833,355	387,500	1,500,991
1928	961,563	412,500	1,796,637
1929	992,185	412,500	1,987,249
1930	717,413	412,500	2,004,075

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
1st pfd.	120	108½	122	110	124	113½
'B' pfd.	106	77	109	95	115	105
Common	19½	10	†28¾	18	170	143

*To Oct. 6.
†Split stock.

Canadian Bakeries

Maple Leaf Subsidiary is Considering Successor to James Stewart

Canadian Bakeries, Ltd., which is controlled by Maple Leaf Milling Co., will shortly be having an annual meeting to elect a new president in place of James Stewart, who recently resigned as he had done also from the Maple Leaf Milling Co. and Alberta Pacific Grain Co. The annual report for the year ended Aug. 31, 1930, is not yet available, but soon should be.

At the end of 1929 the company's working capital was strong, its earnings on preferred stock were large and it had $6.06 a share on the common stock, though no dividends were paid.

The company's bakeries are located at Vancouver, Victoria, New Westminster, B.C., Edmonton, Lethbridge and Calgary, Alta., and Moosejaw, Regina, Saskatoon, Swift Current and Prince Albert, Sask. It can make 1,500,000 loaves of bread weekly when at capacity, but actual production has been about 700,000 loaves.

Capitalization—	Authorized	Outstanding
Com. "A" (n.p.v.)	20,000 shs.	20,000 shs.
*Com. "B" (n.p.v.)	20,000 shs.	
1st pref. 7% cum. ($100 par, redeemable at 110).	$1,000,000	$960,000
2nd pref. 7% cum.	1,000,000	1,000,000

($100 par, redeemable at 110 when 1st preferred are all redeemed; convertible into two class "B" common shares).

*Held in treasury for conversion of class "B" preferred.

Funded Debt— 6½ per cent first mortgage sinking fund bonds, due 1945, outstanding $752,000.

Dividend Record— 1st and 2nd preferred 7 per cent per annum, payable quarterly, March, June, Sept. and Dec. 15. Initial dividend paid Dec., 1925, and regularly since. Common: none paid.

Officers and Directors— vice-pres.; J. A. Craig, sec.-treas.; R. W. Ward, gen. mgr. Directors—John Burns, Calgary, Alta.;

D. L. Cameron, Vancouver, B.C.; F. R. Decary, Montreal, Que.; H. A. Ross, Victoria, B.C.; C. W. Band, Toronto.

INCOME AND SURPLUS ACCOUNT
Years ended August 31

	1929 $	1928 $	1927 $
Net earnings	535,020	434,446	429,306
Less: Deprec.	172,308	152,032	145,639
Bond int.	49,725	50,537	51,285
Inc. taxes	30,500	27,000	34,000
Bond s. f.	13,590	12,948	11,921
1st pref. s. f.	10,000	10,000	10,000
Profit for year	258,897	181,929	176,461
Less appropriations:			
1st pref. divs.	67,725	68,425	69,125
2nd pref. divs.	70,000	70,000	70,000
Surp. for year	121,172	43,504	37,336
Prev. surp.	113,612	70,108	32,772
Bal. forward	234,785	113,612	70,108
Times Bond Int. Earned:			
Before deprec.	10.76	8.60	8.37
After deprec.	7.29	5.59	5.53
Earn. per Sh. and Div. Record:			
1st pref., earn.	$26.97	$18.75	$18.00
Paid	7.00	7.00	7.00
2nd pref., earn.	19.12	11.35	10.73
Paid	7.00	7.00	7.00
Class "A" Com.: Earned	6.06	2.17	1.87

None paid.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
1st pref.	99	93¼	102	90	108	92
Cl. 'A' c.	39	20	50	32	42	25

*To October 6.

George Weston

Bread and Biscuit Company Expects 1930 Sales to Exceed 1929

George Weston, Ltd., which makes and distributes bread and fine biscuits in its Toronto plant and confectionery in its Brantford plant, in its last report accompanying dividend payments indicated that sales in 1930 should exceed those of 1929. It earned $1.44 a share on common in 1929, though dividends were not paid until 1930 at the rate of $1 a share.

The United States market is being developed through Weston Biscuit Corp., of whose common stock it owns 22,500 shares. Working capital is strong.

Capitalization—	Authorized	Issued
Common (n.p.v.)	50,000 shs.	50,000 shs.
Pref. 7% cum. (Par $100).	$1,000,000	$900,000

In March, 1929, the common stock was increased from 25,000 shares, new stock being offered to shareholders at $25 per share, on a share for share basis, rights expiring April 2, 1929.

Preferred is callable at 110. $100,000 of preferred was retired during 1929.

Funded Debt— The company has no funded debt but had outstanding as at Dec. 31, 1929, first mortgage payable amounting to $20,000.

Dividend Record— Preferred 7%, payable quarterly, Feb., May, Aug. and Nov. 1. Paid regularly since May, 1928. Common—Present rate $1 per share per annum, payable quarterly, Jan., April, Aug. and Nov. 1. Initial dividend paid April 1, 1930, and regularly since.

Officers and Directors— Officers—W. Garfield Weston, pres. and man. dir.; F. W. St. Lawrence, vice-pres. and gen. mgr.; Charles W. Kerr, sec.; R. A. Robertson, treas. Directors—W. Garfield Weston, F. W. St. Lawrence, C. W. Kerr, Toronto, Ont.; Dr. C. W. Colby, Montreal, P.Q.; D. L. Chrysler, Brantford, Ont.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
(Years Ended December 31)

	1929 $	1928 $	1927 $
Net earn.	152,930	202,160	*171,935
Less: Depr.	......	......	52,034
Int. & disc.	......	15,735	......
Res. for tax.	12,333	18,831	9,444
Add: Div. rec.	......	3	......
Net profit	140,597	167,597	111,457
Less: Pf. divs.	68,534	43,632	......
Surp. for yr.	72,063	123,965	......
Add: Prev. surplus	160,728	35,606	......
Adjust.	......	1,156	......
Bal. fwd.	232,791	160,728	35,606

*After bond interest.

Earnings Per Share and Dividend Record:			
Preferred: Earned	$15.62	$16.76	$11.15
Paid	7.00	5.25	....
Common: Earned	1.44	‡3.90	‡1.62

None paid.

‡After deducting full year's preferred dividends.

Market Record—(Calendar Year) Toronto:

	1930*	1929	1928
Pref., high	92	110	108½
Low	89	88	98½
Common, high	44½	114	115
Low	18	18	48

*To Oct. 14.

WILLIAM PATERSON, LTD.

Control acquired in 1928 by George Weston, Ltd.

Capitalization—Preferred, $200,000 authorized, amount issued not stated, but sufficient to finance reorganization in 1926; common, outstanding, 4,000 shares, no par value. The outstanding 6½% first mortgage bonds, $161,000, were redeemed by Geo. Weston, Ltd., in 1929.

Dividends— Preferred—8 per cent per annum, cumulative, payable Mar., June, Sept. and Dec. 1. Common—None paid.

Officers and Directors— W. Garfield Weston, pres.; D. L. Chrysler, vice-pres. and gen. mgr.; C. W. Kerr, sec.; F. W. St. Lawrence.

David et Frere

David et Frère manufactures biscuits and candy in Montreal. The company confines its market to Montreal and surrounding district; its products comprise moderately priced confectionery. The company has made progress in the past two years and has increased its productive capacity materially.

Capitalization—	Authorized	Outstanding
Class "A"	23,000 shs.	23,000 shs.
Class "B"	23,000 shs.	23,000 shs.

(No par value).

Funded Debt— None.

Dividend Record— Class "A"—$2.25 per share per annum, payable quarterly, Mar., June, Sept. and Dec. 15. Initial dividend paid Sept. 15, 1928, and regularly thereafter. Class "B"—None paid.

Officers and Directors— Officers—J. H. Bouvier, pres. and gen. mgr.; L. R. Philie, sec.-treas. Directors—René T. Leclerc, Omer Gauthier, A. Cousineau, Montreal, Que.

INCOME AND SURPLUS ACCOUNT
Years ended December 31

	1929 $	§1928 $
Manufacturing profits	228,004	143,900
Less: Selling & admin. exp.	111,189	65,586
Operating profit	116,815	78,314
Add: Other income	3,827	1,058
Net earn. and profit	120,642	79,372
Less appropriations: Class "A" dividends	51,750	25,760
Surplus for year	68,892	53,612
Add: Prev. surplus	53,362	......
Less: 1928 inc. tax	8,058	......
Incorporation exp.	......	250
Bal. car. for.	114,196	53,362

§ Covering the period from June 10, 1928, to Dec. 31, 1928.

Earn. per Sh. and Div. Record:		
Class "A": Earned*	$5.25	$3.45
Earned†	3.00	1.50
Paid	2.25	1.12
Class "B": Earned†	2.25	1.95

None paid.

* Before taking into consideration the participating clauses.

† After making provision for the participating clauses attached to each class of shares. The earnings and payments shown in 1928 are based on one-half year's operation, although the period was slightly longer.

Market Record—

	*1930 High	Low
Class "B"	11	5

* To October 13.

Consolidated Bakeries of Canada

Controls One of Largest Strings of Canadian Bakery Companies

Consolidated Bakeries of Canada, which controls one of the largest strings of bakery companies in Canada, found it advisable on June 17, 1930, to drop the common dividend from a basis of $2 a share annually to $1 a share. The last year has been a difficult one for most bakery companies, some of which were getting flour at high prices and obliged because of competition to reduce the price of bread as well. Most of these companies now have flour available at lower prices.

Consolidated Bakeries operates the following bakeries: Ideal Bread Company, Nasmith's at Toronto, Ideal Bread Company at Hamilton, Neal Baking Company at Windsor, London, Sarnia and St. Thomas, Ont., Norris Brothers at St. Thomas, Ont., Stocks Bread at Peterborough, Ont., James Strachan and James M. Aird at Montreal, Que., and Dent, Harrison and Son at Westmount, Que.

Northern Bakeries of Canada

Northern Bakeries of Canada, which is controlled by Consolidated Bakeries of Canada, was incorporated in 1927 and owns the entire capital stock of Northern Bakeries, Ltd. The latter company was incorporated March 11, 1925, and has control of the business of James Strachan, Montreal, established 1865, of James M. Aird, Montreal, established 1877, of Denet, Harrison and Son, established 1894, of Neal Baking Co., Windsor, London, St. Thomas, and Sarnia, established 1894, and of Ideal Bread Co., Toronto and Hamilton, established 1908. It operates nine bakeries in centres serving about 3,000,000 people. Owing to the exchange of the majority of the shares for shares of Consolidated Bakeries of Canada there is not nearly so much investment interest in this stock as a few years ago. Its annual report is now incorporated with that of Consolidated Bakeries.

Capitalization—	Authorized	Outstanding
Mgmt. pref.* (No par value).	3 shares	3 shares
Common (No par value).	499,997 sh.	318,426 sh.

*Management shares, the holders having the right to elect the boards of directors.

Funded Debt— None.

Dividend Record— Present rate $1 per share per annum, payable Jan., April, July and Oct. 1. Initial dividend of 50c. paid April 1, 1929, and paid regularly to April 1, 1930; reduced to 25c. July 1, 1930.

Shareholders of Northern Bakeries who exchanged their stock for shares in this company also received a dividend of 50c. for the last quarter of 1928, on exchanged shares.

Officers and Directors— Officers—John Turnbull, pres.; Robert McMullen, vice-pres. and gen. mgr.; James Calder, gen. supt.; H. O. Neale, sec.-treas.; Directors—W. A. Black, chairman of the board; R. R. Dobell, Sir Herbert Holt, G. A. Morris, J. W. McConnell, Montreal; J. F. Lash, F. K. Morrow, F. G. Osler, John Turnbull, Toronto.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
(Year Ended Dec. 28, 1929)

Net profit after deprec. & taxes	$692,625
Less appropriations: Dividends	636,404
Surplus for year	56,221
Add: Previous surplus	566,155
Less: Trans. to invest. & conting. res.	350,000
Balance carried forward	$272,376
Earnings Per Share and Dividend Record—	
Earned	2.18
Paid	2.00

Market Record—

	*1930 High	Low	1929 High	Low
Common	26	10	43½	18

*To Oct. 6.

NORTHERN BAKERIES
(Controlled by Consolidated Bakeries)

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	300,000 sh.	250,000 sh.

As at Dec. 28, 1929, all but 24 shares had been exchanged for shares in Cons. Bakeries of Canada, Ltd., on a share for share basis.

Funded Debt— None.

Officers and Directors— Robert McMullen, pres.; Wesley Thompson, vice-pres., Windsor, Ont.; H. O. Neale, sec.-treas.; F. Gordon Osler, J. F. Lash, G. T. Chisholm, F. K. Morrow, Toronto.

Independent Biscuit

Independent Biscuit Co. is a Calgary enterprise initiated and managed by the former owner of logical Calgary territory and those who know the company say that it is making some progress. one of the units in the Canada Biscuit Co. merger. Independent Biscuit confines its sales activities to the

Capitalization—	Authorized	Issued
1st pref. ($100 par)	$150,000	$125,000
2nd pref. ($100 par)	100,000	50,000
Common (n.p.v.)	5,000 shs.	5,000 shs.

First preferred is callable at 105. Sinking fund provided.

Second preferred is all owned by the management.

Dividends— First preferred—7 per cent cumulative, payable half-yearly, 1 Jan. and July. Dividend of Jan. 1, 1930, passed.

Funded Debt— None.

Officers and Directors— Harvey Shaw, pres.; E. E. Peterson, D. O'Rourke, G. F. Tull.

Regal Bakeries

Regal Bakeries is a Toronto company in the bread business. The company has been active in this highly competitive field. Stock has been widely distributed. It lacks marketability and there have been no financial statements published to show the position of the company.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. (Par $100).	$1,250,000	$330,000
Common (No par value).	100,000 shs.	51,000 shs.

Capital Stock Changes— In 1928 authorized preferred increased from $250,000 to $1,250,000 and par value changed from $10 to $100. Old preferred exchanged for new on basis of 1 new for 10 old. Common increased from 50,000 shares to 100,000 shares of no par value.

Dividends— None paid.

Funded Debt— None.

Officers and Directors— Officers—J. S. A. Whealy, pres.; A. W. Griffin, sec.-treas.; A. E. Gray, gen. man. Directors—J. S. A. Whealy, J. H. Spence, J. W. Fleury, J. Goulding, A. R. Brown, Dr. C. E. Hill.

Westmount Valuations Grow

The valuation roll of the City of Westmount, estimated roughly at $71,500,000, is an increase of about $2,000,000 over last year's figure, it was shown at a meeting of the city council.

Canada Biscuit Co.

Company Improving Position Though Merger Not Yet Complete Success

Canada Biscuit Co. is a merger effected in 1926. The public investment interest is confined principally to the bonds, the interest on which has been paid to date. This interest has not been earned in full in recent years but it is understood that it is being earned this year.

Some merchandising and advertising errors in the early stages and the difficulty of co-ordinating the output of the several plants between Moncton and Edmonton are the apparent reasons for the lack of material success. It is understood that the company gradually has been improving its position in the trade. The company has developed several new products, one of which is now being marketed in the United States by a company that pays royalties to Canada Biscuit.

Capitalization—	Authorized	Outstanding
Common (No par value).	100,000 shs.	90,780 shs.
Preferred 7% (Cumulative, par $100).	$5,000,000	$3,519,000

Nearly all the capital stock is held by the former proprietors who are now directors of the company.

Funded Debt— First mortgage 6½ per cent sinking fund gold bonds series "A" dated May 1, 1926; due May 1, 1946. Outstanding $2,005,500.

Dividend Record— Preferred—Seven per cent cumulative, payable quarterly, Jan., April, July, Oct. Common—None paid.

Officers and Directors— Officers—Frank A. McCormick, pres.; J. A. Marven, J. Farquharson, vice-presidents; H. V. Hansen, gen. mgr.; D. C. McNaughton, secy.-treas.; F. Lawson, asst. secy.-treas. Directors—F. A. McCormick, J. Farquharson and D. C. McNaughton, London, Ont.; J. A. Marven, Moncton, N.B.; R. D. Bell, Montreal; R. G. Ivey, London, Ont.; C. P. Fell, Toronto.

Willards Chocolates

Willards Chocolates is a company which has improved its position in the last year or two under its present management. For a time, the financial sponsors of the company loaned the money to pay the preferred dividends.

Capitalization—	Authorized	Outstanding
Pref., cum., 8%	$474,000	$474,000
Common. (n.p.v.)	15,001 sh.	15,001 sh.

The common shares are controlled by Dominion Securities Corp., Ltd.

Preferred is redeemable at 110; sinking fund provided.

Funded Debt— No bond issues have been made, but in 1920, upon acquisition of the predecessor company, the company assumed the mortgages payable, amounting to $262,000, and in March, 1925, secured a loan of $600,000 in the English market, for which a first mortgage on the plants was given. Mortgages outstanding Dec. 31, 1929, were $486,457.

Officers and Directors— Officers—D. H. McDougall, pres.; J. W. Mitchell, vice-pres.; Martin H. Toy, sec.; J. E. McCann, treas.; G. H. Campbell, pur. agent. Directors—D. H. McDougall, J. W. Mitchell, H. N. Bawden, Charles W. Fleming, H. B. Housser, all of Toronto.

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1929 $	1928 $	1927 $
Net earnings	176,466	47,182	79,729
Less: Depr.	72,000	40,000	......
Interest	......	......	52,225
Taxes	606	......	1,800
Gen. res.	38,000	......	......
Net profit	65,860	7,182	25,704
Less: Pref. divs.	37,920	38,400	40,800
Surp. for yr.	27,940	*31,218	*15,096
Add: Prev. surp.	7,175	4,958	20,054
Adj. of prior taxes	......	4,875	......
Donation from Dom. Securities Corp.	......	28,560	......
Bal. forward	35,115	7,175	4,958
Dividend Record and Earnings Per Share:			
Pref.: Earned	$13.89	$1.52	$5.22
Paid	8.00	8.00	8.00
Com.: Earned	1.86	none	none

None paid.
*Loss.

Robinson Cone Co.

Robinson Consolidated Cone Co., manufactures the bulk of the ice cream cones and similar food products in Canada. Although there was a public offering of stock in 1928, it is understood that the stock now is in few hands. It is one of those companies distinguished by the existence of three management preferred shares. Little current information is available.

Capitalization—	Authorized	Issued
Common (n.p.v.)	99,997 shs.	49,997 shs.
Management pref. (n.p.v.)	3 shs.	3 shs.

To ensure continuity of policy and management during the first two years of the operation of the company, three management preferred shares without nominal or par value are provided for, which confer upon the holders thereof the right, during a period of two years, to elect to and remove from office the directors of the company. After the two years such shares will automatically become common shares.

Dividend Record— Present rate, $1.50 per annum, payable 1st Jan., Apr., July and Oct. Initial dividend paid Oct. 1, 1928, and regularly since. Bonus of 25c per share paid Jan. 1, 1930.

Officers and Directors— Officers—S. Robinson, pres.; F. Wellington Hay, vice-pres., W. G. Grant, secy. Directors—S. Robinson, Hamilton, F. Wellington Hay, Listowel, Ont.; St. Clair Balfour, J. V. Young, Hamilton; J. Moodie, Port Nelson, Ont.; Lewis Lewison, London, Eng.; J. F. McDonagh, Toronto.

Market Record—

Common—	1930*	1929	1928
High	26	39½	31
Low	20	23	23

*To Oct. 13.

Commercial Alcohols

Commercial Alcohols, Ltd., produces alcohol and manufactured magnesia carbonate and insulating materials under Grunwald patents for which it has the Canadian rights. The entire output is taken by the Canadian Johns-Manville Co.

Capitalization—	Authorized	Issued
Pref. 8% cum. (Par $100).	$250,000	$250,000
Common (No par value).	*30,000 shs.	20,000 shs.

*10,000 shares are reserved under the conversion privileges attached to the 6 per cent convertible first mortgage bonds.

Funded Debt— The company has a funded debt consisting of $125,000, 6 per cent per annum convertible first mortgage bonds. The bonds are convertible on the basis of eight no par value common shares for $100 bond.

Dividend Record— Preferred 8 per cent per annum. Passed Jan., 1929, and since. Initial dividend was paid Apr., 1924. Common—$1 per annum. Initial dividend of 25 cents paid July, 1927. Passed July 1928.

Officers and Directors— Officers—C. G. Kertland, pres.; J. Irwin, vice-pres.; T. V. Battersby, sec.-treas. Directors—C. G. Kertland, J. Irwin, G. Hampson, Westmount; T. Arnold, J. A. Wales, Montreal.

Market Record—

	1930* H	L	1929 H	L	1928 H	L
Common	6	2	27	8¾	55½	18

*To October 6.

Viau Biscuit

Viau Biscuit Corp. operates plants in Joliette and Montreal, and maintains warehouses at Montreal, Quebec and Winnipeg. The company manufactures and distributes biscuits and confectionery.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	50,000 shs.	25,000 shs.
1st pf. cum. 7% ($100 par)	$2,500,000	$1,000,000
2nd pf. cum. 7% ($100 par)	1,000,000	470,000

1st Preferred—Redeemable at 115.
2nd Preferred—Redeemable at 115. Has equal voting rights with common.
Common—Carries one vote per share.

Funded Debt— 6½ per cent first general mortgage bonds, due 1946; outstanding $375,900. The outstanding 7 per cent first mortgage bonds of J. Dufresne, Ltd., due serially to 1932, were all retired during 1929.

Dividend Record— 1st and 2nd pref. 7 per cent per annum, cumulative, payable quarterly Jan., Apr., July and Oct. 1. 1st pref. paid regularly since 1926; 6 per cent passed in 1927; resumed in 1928. Common—None paid.

Officers and Directors— Officers—Hon. J. L. Perron, K.C., M.L.C., pres.; Théophile Viau, vice-pres.; J. W. Ross, sec.; Lucien St.-Mars, treas. Directors—Hon. J. L. Perron, K.C., M.C.L., Théophile Viau, Albert Hudon, R. L. Ellis, G. H. Rainville, J. A. Lemieux, Montreal.

INCOME AND SURPLUS ACCOUNT
Years ended December 31

	1929 $	1928 $	1927 $
Gross earnings	649,301	635,081	......
Less: Oper. & gen. expense	413,501	400,952	......
Net revenue	235,800	234,129	189,650
Sundry revenue	7,537	5,508	......
Net earnings	243,337	239,637	189,650
Less: Bond int.	25,978	28,302	29,227
Other int. and exch.	18,357	18,186	16,296
Res.: Deprec.	35,000	33,000	30,000
Bad debts	20,000	12,000	10,000
Inc. tax	8,000	7,000	......
Org. exp. w/o	5,000	......	......
Loss on sales of fixed assets	......	......	3,294
Loss in invent. w/o	......	......	26,386
Net profits	136,007	141,149	74,447
Less: Div. 1st pref.	70,000	†75,833	70,000
Div. 2nd pref.	32,900	‡35,642	......
Surp. for year	33,107	29,674	4,447
Less: Adjust.	......	......	4,647
Inc. tax	558	1,411	......
Add: Pr. surp.	30,519	2,255	2,455
Bal. car. for.	63,068	30,519	2,255
Times All Int. Earned:			
Before deprec.	6.19	5.15	4.17
After deprec.	5.30	4.44	3.51
Earn. per Sh. and Div. Record:			
1st pref.: Earned	$13.60	$14.11	$7.44
Paid	7.00	†7.583	7.00
2nd pref.‡: Earned	14.05	13.89	0.94
Paid	7.00	‡7.583	...
Common: Earned	1.32	1.18	...
Paid	...	...	...

‡ Dividends paid for 13 months; end of fiscal year changed.

Market Record (Calendar Year)—

	*1930 H	L	1929 H	L	1928 H	L
1st pref.	85	78	85½	84	90	84
Com.	15	6	22	8	33	14½

* To October 13.

Stanford's Ltd.

Stanford's Ltd. is a Montreal chain of provision stores established in 1905 and which became of public investment interest in 1927. The company latterly has been establishing stores designed to appeal to a wider clientèle. There have been recent changes in the directorate, L. S. Colwell now being the president.

Capitalization—	Authorized	Outstanding
1st pref. 7% cum.	$500,000	$500,000
2nd pref. 7% cum. (Par $100).	$200,000	$200,000
Common (No par value).	20,000 shs.	20,000 shs.

1st preferred is callable at 110; sinking fund is provided. 2nd preferred callable at 105; held privately.

Funded Debt— None.

Dividend Record— 1st Preferred—$7 per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend paid Aug., 1927, and regularly to May 1, 1930; none since. 2nd Preferred—$7 per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1. Common—$1 per annum, paid quarterly, from Dec. 15, 1927 to Mar. 15, 1929; none since.

Officers and Directors— Officers—L. S. Colwell, pres.; H. N. Chauvin, K.C., vice-pres.; J. G. Renaud, sec.-treas. Directors*—L. S. Colwell, H. N. Chauvin, K.C., E. E. Vipond, K.C., P. F. McCaffrey, Montreal; J. G. Weir, Toronto.
*Subject to change.

INCOME AND SURPLUS ACCOUNT
Years Ended Sept. 1

	1929 $	1928 $	*1927 $
Gross sales	2,104,932	1,746,971	532,429
Net earnings	89,532	74,407	32,902
Less: Inc. tax	......	5,800	3,500
Net profit	89,532	68,607	29,402
Less appropriations:			
1st pref. div.	35,000	35,000	8,750
2nd pref. div.	14,000	14,000	3,500
Com. div.	10,000	15,000	......
Com. div. 1928, paid dur. 1929	5,000	......	......
Surp for year	‡25,532	4,607	17,152
Add: Prev. surp.	23,038	17,152	......
Inc. tax res. adj.	......	1,280	......
Bal. forward	48,571	23,038	17,152

*Four months ended Sept. 3, 1927.
‡Before depreciation, sinking fund and income tax.

Earn. Per Share and Div. Record—			
1st pfd.: Earn.	$17.90	$13.72	$5.88
Paid	7.00	7.00	1.75
2nd pfd.: Earn.	27.26	16.80	10.32
Paid	7.00	7.00	1.75
Com.: Earned	2.02	0.98	0.80
Paid	†0.75	0.75	...

†Of which 25 cents was applicable to the previous fiscal year.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
1st pref.	..	..	87	73	96½	83
Common	4	1	10	2	27½	8½

*To Oct. 13.
No sales of 2nd preferred.

Sherbrooke Pure Milk

Sherbrooke Pure Milk represents a consolidation of the Sherbrooke Pure Milk Co. and the Crémerie de Sherbrooke. A substantial retail and wholesale dairy business in Sherbrooke and the Eastern Townships has been developed.

Capitalization—	Authorized	Issued
Common (No par value).	6,500 shs.	6,500 shs.

Fanny Farmer Candy Shops

Planning Further Expansion in United States—1930 Results Satisfactory

Fanny Farmer Candy Shops, Inc., a United States chain managed and controlled by the group controlling Laura Secord in Canada, reports gross sales down some 4 per cent for the nine months ended September 30. But as sugar costs are considerably lower, it is probable that the company will come through the year with no reduction in profits.

The company is strong financially and is rapidly retiring its preferred stock.

Capitalization—	Authorized	Outstanding
Pf. cum. (n.p.v.)	45,000 shs.	*19,265 shs.
Common (n.p.v.)	100,000 shs.	100,000 shs.

*Preferred is redeemable at $35 per share. During 1929 1,484 shares were redeemed and cancelled and 6,206 shares purchased and registered in the name of the company, leaving 19,265 shares outstanding in the hands of the public.

Dividend Record— Preferred—$2.40 per annum, cumulative, payable Jan., April, July and Oct. 1. Paid regularly since July 1, 1926. Common—Present rate $1 per share per annum, payable quarterly, Jan., April, July and Oct. 1. Paid regularly since April, 1928.

Officers and Directors— Officers—Frank P. O'Connor, pres. and chairman; J. D. Hayes, 1st vice-pres.; W. J. O'Connor, 2nd vice-pres.; C. P. Moher, 3rd vice-pres.; C. H. Elliston, sec.-treas., Toronto. Directors—F. P. O'Connor, chairman; C. H. Elliston, J. D. Hayes, Toronto; M. L. Farrell, J. P. Hogan, Rochester.

Income and Surplus Account
Years Ended December 31

	1929 $	1928 $	1927 $
Total sales	4,043,168	3,793,530	3,722,682
Less: op. exp.	3,513,507	3,329,753	3,283,615
Net earnings	529,661	463,777	439,067
Less: Tax res.	85,541	77,370	73,494
Net profit	444,120	386,407	365,573
Less appropriations:			
Pref. sk. fd.	50,236	50,569	50,000
Pref. divid.	48,953	64,692	68,102
Com. divid.	100,000	100,000	......
Cost of 6,206 pref. shares reg. in name of corp.	214,058	......	......
Surp. for yr.	30,873	171,246	248,471
Add: Previous surplus	1,151,130	994,984	746,513
Less: Payments for release from leases	......	15,000	......
Balance for'd.	1,182,003	1,151,230	994,984
Earnings per Share and Dividend Record.			
Pref.: Earned*	$20.44	$12.44	$11.16
Paid	2.40	2.40	2.40
Com.: Earned.	3.45	2.71	2.48
Paid	1.00	1.00	...

* After deduction of preferred stock sinking fund.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Common	21½	14	37	17	41	27
Preferred	32½	29	33½	30	33¾	29

*To Oct. 6.

SILVERWOOD'S
DAIRY PRODUCTS

Distributors of

SAFE MILK, TABLE AND WHIP CREAM AND BUTTERMILK

—also—

JERSEY MILK
(From Govt. Accredited Herds)

A Daily Service to 60,000 Ontario Homes

Manufacturers of

"SMOOTHER THAN VELVET" ICE CREAM
FINEST CREAMERY BUTTER
EVAPORATED AND CONDENSED MILK

Silverwood's Dairies Limited

A Canadian Organization, owned and operated by over Four Thousand Canadian Shareholders, including Producers, Consumers and Employees.

Plants at

LONDON, TORONTO, HAMILTON, WINDSOR, KITCHENER, ST. CATHARINES, PETERBORO, BRANTFORD, SARNIA, CHATHAM, STRATFORD, GUELPH, WOODSTOCK, NORTH BAY, ELMIRA, LUCKNOW, FOREST, CAYUGA, CARGILL, FERGUS, SUDBURY

Color Influences the choice and makes the Sale

LAWRASON-DOUGHTY Co
producers of
Quality Cartons, Display Boxes, Window and Counter Displays, for any purpose in any quantity
Ask for Suggestions
9-11 HAMILTON ST. ~ TORONTO CANADA

Litho Plate and Color Printing

Food Manufacturing Companies

Burns & Co.

Long-Term Outlook of Outstanding Meat Packing Industry is Favorable

Burns & Co. is one of the outstanding companies in the meat-packing industry in Canada and has the broadest organization of any in that retail stores are operated and commodities marketed not directly related to the meat-packing business.

The present company, incorporated in 1928, took over a business which had been established originally by Patrick Burns, of Calgary. Mr. Burns is considered one of the most competent men in the industry and although it is understood that he is less active than formerly, the company still has the benefit of his advice and the policies which had been proved successful over a long term of years.

It is probable that Burns & Co. in the present year has not done as well as in other recent years, but the long-term outlook cannot be considered other than favorable.

Capitalization—	Authorized	Outstanding
Pref. 6% ($100 par).	$12,000,000	$6,950,000
Management pf. shs. (No par value).	3 shs.	3 shs.
Com. (n.p.v.)	149,997 shs.	99,997 shs.

Funded Debt—First Mtge. 5½ per cent, series "A," sinking fund gold bonds, due 1948; authorized $15,000,000, issued $7,000,000.

Dividends—Preferred 6 per cent per annum, payable Jan., April, July and Oct. First payment made Oct. 1, 1928, for the four months' period from June 1. Common—None paid.

Officers and Directors—Officers—P. Burns, chm. of board; John Burns, pres. and gen. mgr.; W. J. Blake-Wilson, vice-pres.; W. E. Corlet, sec.; Norman Hindsley, treas. Directors—Patrick Burns, chm., John Burns, W. E. Corlet, N. Hindsley, J. I. McFarland, A. C. Newton, W. Toole, Calgary; W. J. Blake-Wilson, Vancouver; W. S. Hodgens, Toronto.

INCOME AND SURPLUS ACCOUNT
Years ended December 31

	1929 $	1928 $
Net earn. from oper.	1,042,359	1,263,134
Add: Rev. from subs.	374,978	......
Other inc. and divds.	29,670	146,478
Net earnings	1,447,007	1,409,612
Less: Depreciation	281,335	274,359
Int. on funded debt and other indebt.	646,218	449,525
Income tax (estim.)	30,000	30,000
Net profit	489,454	655,728
Less appropriations:		
Pref. divds.	416,250	343,295
Subs. devel.	......	60,000
Surp. for year	73,204	252,433
Add: Prev. surp.	252,433	......
Bal. carried forward	325,637	252,433
Times Interest Earned:		
Before deprec.	2.24	3.14
After deprec.	1.80	2.53
Earn. per Sh. and Div. Record:		
Preferred:		
Earned	$7.04	$9.50
Paid	6.00	5.00
Common:		
Earned	0.73	*2.42
None paid.		

* After deduction of full year's preferred dividends.

Catelli Macaroni

Catelli Macaroni Products Corp. represents a merger of nine macaroni companies effected in 1928. The company has strengthened its position since its inception and benefits of the consolidation should become more apparent in the future.

Capitalization—	Authorized	Outstanding
Class "A" pref. (Par $30).	60,000 shs.	60,000 shs.
Class "B" cum. (No par value).	*125,000 shs.	30,000 shs.

*(90,000 shares of class "B" common reserved for conversion of class "A" preference shares and 5,000 reserved for employees, under option expiring Sept. 1, 1930).

Funded Debt—None.

Dividend Record—Class "A" preference $2 per annum, cumulative from Sept., 1928, and payable quarterly, March, June, Sept., and Dec. 1. Initial dividend 50c per share paid Dec. 1, 1928, and regularly thereafter. Class "B" common. None paid.

Officers and Directors—Officers—Aimé Geoffrion, K.C., pres.; A. Bienvenu, vice-pres.; Paul Bienvenu, man. dir.; L. E. Potvin, C.A., sec. Directors—Aimé Geoffrion, K.C., A. Bienvenu, R. R. Dobell, W. W. Hutchinson, Alphonse Raymond, Paul Bienvenu, Montreal, Que.; Hon. N. Pérodeau, Quebec, Que.; Jas. M. Brusek, Moose Jaw, Sask.; I. Rader, Lethbridge, Alta.

INCOME AND SURPLUS ACCOUNT
Fifteen Months Ended November 30, 1929

	$
Net earnings	301,638
Less: Deprec., taxes, appropriations, etc.	113,896
Net profit	187,742
Less: Class "A" dividends	150,000
Surplus for year	37,742
Earnings per Share and Dividend Record—	
Class "A": Earned*	$3.13
Earned†	2.50
Paid	‡2.50
Class "B": Earned	1.25
None paid.	

‡ Being at the rate of $2.00 per annum.
* Before participating provisions.
† After participating provisions.

Market Record—

	*1930 High	*1930 Low	1929 High	1929 Low
Class "A"	27	19½	30	25
Class "B"	10	9	17½	10

* To Oct. 13.

Canada Tea Co.

Payment of preferred dividends in excess of the current year's requirements is indicative of the improvement in the business of Canada Tea Co. and that the arrears will be paid in full. The head office is in Toronto and the company has branches at Peterborough, Hamilton, Woodstock, Brantford and London.

Capitalization—	Authorized	Issued
Pref. 7% cum. ($100 par.)	$500,000	$175,000
Common ($100 par.	1,000,000	333,000

Of the issued stock, 36 preferred and 18 common shares are held in trust by the company.

Dividends—Preferred—7 per cent per annum, cumulative, payable 1st Jan., Apr., July and Oct. Passed in 1922; 5 per cent paid in 1928; 9 per cent in 1929; 7 per cent to Sept., 1930. Common—None since 1913.

Funded Debt—None.

Officers and Directors—Officers—C. J. Scandrett, pres. and gen. mgr.; C. T. Stark, vice-pres.; J. Hobson, sec. and treas., Toronto, Can. Directors—C. J. Scandrett, C. T. Stark, J. Hobson, H. M. Asling, S. B. Playfair, Toronto.

Canadian Salt Co.

Canadian Salt Co. is a division of Canadian Industries, Ltd. The company is engaged in the mining, manufacture and sale of salt, and its by-products. Plant is located at Sandwich. There is no public investment interest in the company but the Canadian Salt Equipment Co., a subsidiary operating steel tank cars for transportation of liquid chlorine, has outstanding equipment trust notes which mature annually from 1930 to June 1, 1933.

Capitalization—	Authorized	Outstanding
Common (Par $100)	$1,500,000	$1,500,000

All the stock is owned by Canadian Industries.

Funded Debt—None.

Dividend Record—Dividends at rate of 8% per annum were paid regularly since incorporation in 1901, and by predecessor company since 1892.

B. C. Packers

Current Year's Catch is Good But Market for Once Presents Problem

Indications are that British Columbia Packers will have one of the best catches in many years, for the season 1930. But there has been a price war among fish packers in the United States so that the problem of marketing is one which, if it is not happily solved, may prevent the company showing as good results as might otherwise have been expected.

The long-term outlook for this company, a vital factor in the Pacific Coast fishing industry, has been improved since the reorganization of two years ago and the adjustments in the trade generally which eliminated serious duplication of activities in the coast waters.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	20,000 shs.	20,000 shs.
Pref. 7% cum. (Par $100)	$3,000,000	$1,471,700

More than 98% of the preferred and common stocks have been exchanged for stock of B. C. Packers, Ltd.

Funded Debt—None.

Dividend Record—Preferred dividends pair quarterly to Nov. 1, 1927; none since. Arrears settled by distribution of common stock of B. C. Packers. Common, none paid.

Officers and Directors—Officers—Robert C. Gosse, pres.; Richard J. Gosse, vice-pres.; F. R. Bartlett, sec.-treas. Directors—Robert C. Gosse, Richard J. Gosse, Stanley J. Burke, D. S. Wallbridge, C. C. Thomas, W. A. Sutton, F. E. Burke, J. A. Conkey, Vancouver; A. H. Williamson, Winnipeg.

Capitalization—	Authorized	Issued
Common (n.p.v)	500,000 sh.	*277,556 sh.
Pref. 7% cum. (Par $100).	$5,000,000	$3,916,900

* When exchange of shares with subsidiary companies is completed outstanding shares will be $277,831.

Preferred is redeemable at 110; sinking fund provided.

Funded Debt—None.

Dividend Record—Preferred 7% per annum, cumulative, payable quarterly, Jan., April, July and Oct. 1. Paid regularly since July 1, 1929. Common—None paid.

Officers and Directors—Officers—Æmilius Jarvis, chm. of board; Stanley J. Burke, pres.; Richard J. Gosse, vice-pres. and man. dir.; Robert C. Gosse, vice-pres.; S. K. Murray, gen. sales mgr.; F. R. Bartlett, compt. and sec.-treas. Directors—Æmilius Jarvis, J. H. Gundy, Toronto, Ont.; Stanley J. Burke, F. E. Burke, Richard J. Gosse, Robert C. Gosse, George E. Kidd, H. R. MacMillan, J. Philip, D. Malkin, Vancouver, B.C.; A. H. Williamson, Winnipeg, Man.

CONS. INCOME AND SURPLUS ACCT.

	Year ended Feb. 28, 1930 $	Jan. 1, 1928 to Feb. 28, 1929 $
Net earnings	634,276	1,285,999
Less: Maint. & renew.	338,922	*329,953
Int. on funded debt.	29,854	38,902
Tax reserve	35,000	†110,000
Net profit	230,500	807,144
Less appropriations:		
Div. on B.C. Pack. pf.	205,422	......
Two months expenses additional incurred through change of fiscal year	......	116,962
Surplus	25,078	690,182
Add: Prev. surplus	690,181	......
Balance forward	715,259	690,182

* Includes depreciation.
† Includes pack taxes.

Earnings per Share and Dividend Record:

Preferred: Earned	$5.88	....
Paid	5.25	....
Common: Earned	†nil	$2.95
Paid	nil	nil

† After allowing for preferred dividend of $6.42, representing requirements for 11 months from April 1, 1929, to Feb. 28, 1930.

Market Record—

	1930* H	1930* L	1929 H	1929 L	1928 H	1928 L
Preferred	58½	55				
Common	13¼	3½	32½	5½	32½	28

*To Oct. 6.

B. C. Fishing & Packing Company

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	100,000 shs.	99,608 shs.
Pref. 7% cum. ($100 par)	$2,500,000	$2,490,200

Preferred is redeemable at 105; has equal voting rights with common.

Preferred shareholders in April 1929, were offered an exchange for 70% preferred shares of B. C. Packers on a share for share basis with rights at $20 on one common share of B. C. Packers for each preferred share exchanged. Less than 20% remain to be exchanged.

Common—Exchanged for shares in B. C. Packers, on a share for share basis, in May, 1928.

Funded Debt—None, but the company guarantees as to principal, interest and sinking fund $447,200 6% 1st mtge. debs., of Wallace Fisheries, Ltd., due 1936.

Dividend Record—Preferred: 7% per annum, cumulative, payable quarterly, March, June, Sept. and Dec. 10. Initial dividend paid June, 1927, and quarterly to Dec., 1927; none since. Common—None paid since Dec., 1927.

Officers and Directors—Officers—Stanley J. Burke, pres.; A. C. Flumerfelt, vice-pres.; F. R. Bartlett, sec.-treas. Directors—Æmilius Jarvis, J. H. Gundy, Toronto; Stanley J. Burke, F. E. Burke, Richard J. Gosse, Robert C. Gosse, C. C. Thomas, W. A. Sutton, Vancouver; A. C. Flumerfelt, Victoria, B.C.; A. H. Williamson, Winnipeg.

Market Record—

	1929 H	1929 L	1928 H	1928 L
*Preferred	99½	81½	87	46

*Exchanged for B. C. Packers during 1929.

Robin, Jones, Whitman

Robin, Jones and Whitman, Ltd. operates a trading and fishing business in the Provinces of Quebec, New Brunswick and Nova Scotia. The company operates 30 general stores most of which are on the Gaspé coast. Dried fish is exported, while boneless fish is sold all over Canada. The company's securities are closely held.

Capitalization—	Authorized	Outstanding
Pref. 6% cum. (Par $100).	$900,0000	$848,000
Ordinary (Par $100).	850,000	562,800

Funded Debt—First mortage bonds, 6%, due 1950, outstanding £40,000.

Dividend Record—Preferred 6% per annum, payable quarterly Feb., May, Aug. and Nov. 1. With payment on Feb. 1, 1930, of 8 per cent arrears on preferred all arrears on that stock has been paid up. Ordinary—None paid since 6 per cent for year ended March 31, 1921.

Officers and Directors—Officers—A. E. Jones, pres.; A. H. Whitman, vice-pres. and man. dir.; P. L. Whitman, sec.-treas. Directors—A. E. Jones, A. N. Jones, A. H. Whitman, P. L. Whitman, Halifax; D. R. Clarke, Montreal.

INCOME AND SURPLUS ACCOUNT
Years Ended March 31

	1930 $	1929 $	1928 $
Net earnings	85,052	105,526	90,735
Less: Inc. tax reserve	7,000	9,000	11,000
Net profit	78,052	96,526	79,735
Less appropriations: Pref. dividends	76,320	89,040	63,600
Surplus for year	1,732	7,486	16,135
Add: Previous surp.	68,998	61,512	45,377
Balance car. for.	70,730	68,998	61,512

Canada Packers

Company's Improving Position in Recent Years Should Continue

Canada Packers, Ltd., incorporated in 1927 to acquire a controlling interest in the Harris Abattoir Co., Gunn's, Ltd., the Canadian Packing Co. and the William Davies Co., produces a full line of packing house products at plants in Toronto, Montreal, Peterborough, Thorold, St. Boniface and Chicago. It also has many distributing branches and warehouses in various sections of Canada.

The company earned $5.53 a share on its common stock in the year ending March 27, 1930, as compared with $5.20 in the preceding year. In order to build up working capital the company did not begin preferred dividends until April, 1929. Arrears of $10.50 per share have still to be paid and in the ordinary course of events, will be paid off in two years. The company had working capital on March 27, 1930, of $7,221,355, but plans to have $10,000,000 before common stock will share in profits.

Recent reductions in grain prices are expected to cause a return to livestock production, eventually providing the company with cheaper supplies and thus enabling it to go after export markets on a better basis.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. (Par $100).	$10,000,000	$6,268,400
Common (n.p..)	200,000 shs.	199,974 shs.

Funded Debt—First collateral trust bonds, 6%, due 1947, issued $2,500,000. The entire issue is held by the company's bankers as security for loans. It was anticipated this issue would have been retired in Aug., 1929, by permanent financing. In 1929, the banks, however, agreed to renew the loan for another twelve months. Owing to the improved liquid position, the company was able to repay half of the loan, leaving a balance as at March 27, 1930, of $1,250,000. Second collateral trust bonds, 6%, due 1947, outstanding $650,000. The entire issue is held by the Royal Trust Company in trust for the company's subsidiary, Gunns Limited.

Dividend Record—Preference—7 per cent per annum, cumulative from July 1, 1927, payable April, July, Oct. and Jan. 1. Initial dividend for period July 1 to Sept. 30, 1927, paid April 1, 1929 and regularly since. Arrears of dividends, $10.50 per share. (As at March 27, 1930). Common—None paid.

Officers and Directors—Officers—J. S. McLean, pres.; E. C. Fox, T. F. Matthews and W. T. Harris, vice-presidents; S. G. Brock, sec.-treas.; N. J. McLean, gen. mgr.; A. L. Laing, sales mgr. Directors—J. S. McLean, E. C. Fox, T. F. Matthews, S. G. Brock, N. J. McLean, W. S. Cameron, R. W. Perry, W. T. Harris, A. L. Laing, R. J. McLaughlin, H. J. McLaughlin, D. C. Wells, A. G. Hall and C. Laursen, all of Toronto, Ont.; Joseph Harris, Winnipeg, Man.; G. S. Matthews, Peterboro, Ont.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT, YEARS ENDED

	Mar. 27 1930 $	Mar. 27* 1929 $
Net profit†	1,552,072	1,503,298
Less appropriations: Pref. dividends	444,738	115,939
Surplus for year	1,107,334	1,387,359
Add: Sub. shs. convert.	791	1,512
Res. for claim, not required	......	145,000
Profit on sale prop.	......	35,876
Previous surplus	2,598,444	1,028,697
Bal. car. forward	3,706,569	2,598,444

† After all expenses, bond interest and depreciation.

Earnings per Share and Dividend Record:

Pref.: Earned‡	$24.76	$22.74
Paid	7.00	1.75
Common: Earned§	5.53	5.20
None paid.		

‡ Preference earnings per share are based on net profit without taking into consideration the fact that dividends are in arrears. As at March 27, 1930, dividends were in arrears $10.50 per share, a total amount of $658,182.

§ Common earnings per share are based on net profit less a full year's preference dividends at the rate of 7 per cent per annum.

Harris Abattoir Co., Ltd.
(Entirely owned by Canada Packers)

Capitalization—	Authorized	Outstanding
Stock	$5,000,000	$2,555,000

(Par $100. All privately held. Exchanged for shares of Canada Packers, in June, 1927).

Funded Debt—Six per cent first mortgage sinking fund bonds, series A, due 1947; outstanding, $3,780,400.

Officers—W. T. Harris, pres.; J. S. McLean, vice-pres.; S. G. Brock, sec.-treas.; W. S. Cameron, man. dir. Directors — Joseph Harris, Winnipeg, Man.; J. S. McLean, S. G. Brock, W. T. Harris, J. McLean, W. S. Cameron, H. H. McKee, J. S. Willis, C. C. Polkinghorne, C. Wadge, and H. M. Murray, all of Toronto, Ont.

Wm. Davies Co., Inc.
(Controlled by Canada Packers)

Capitalization—	Authorized	Outstanding
Class "A" com.	60,435 shs.	60,435 shs.
Class "B" (No par value).	60,000 sh.	60,000 shs.

Over 99 per cent of the stock is owned by Canada Packers.

Funded Debt—Six per cent mortgage sinking fund bonds, Series "A," due 1942; outstanding, $1,875,000. An additional $1,500,000 of series "B" authorized but not issued.

Dividend Record—Class "A"—None since 1921. Class "B"—None paid.

Officers and Directors—E. C. Fox, pres.; J. S. McLean, N. J. McLean.

Gunns Ltd.
(Entirely owned by Canada Packers)

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	3,000 sh.	3,000 sh.

The entire capital stock is owned by Canada Packers.

Funded Debt—None.

Dividend Record—Dividends on preferred paid quarterly, Feb., May, Aug. and Nov. 1, to Feb. 1, 1921, none since. On common, payments aggregating 165 per cent were made from date of incorporation to Feb., 1920.

Officers and Directors—Officers—J. S. McLean, pres.; Brig.-Gen. J. A. Gunn, vice-pres.; R. W. Perry, mgr.; J. K. Ingram, sec.-treas. Directors—J. S. McLean, Brig.-Gen. J. A. Gunn, R. W. Perry, S. G. Brock, all of Toronto.

Canadian Packing
(Entirely owned by Canada Packers)

Capital Stock—All owned by Canada Packers, Ltd.

Officers and Directors—Officers—T. F. Matthews, pres.; J. S. McLean, vice-pres.; W. J. Townsend, sec.-treas. Directors—T. F. Matthews, J. S. McLean, W. J. Townsend, R. G. Dobier, G. S. Matthews, Wm. Moss, Howard S. Matthews.

Sunera Cereals

Reorganized Company is Pushing Cereal Food Manufacture

Sunera Cereals, Limited, is the name of a new company incorporated June 17, 1930, under Dominion charter to take over and acquire a company of the same name incorporated in 1928 under Ontario charter. Sunera Cereals has been engaged in the business of manufacturing whole wheat cereal foods, including Sunera, a package breakfast food.

The company owns the property formerly belonging to the Regal Milling Co. of Port Dover, Ont., on which it owns an enlarged plant with a capacity of 85 barrels a day.

Capitalization—	Authorized	Outstanding
Common (Par $10).	$300,000	$74,000

Officers and Directors—Officers—C. G. Ivey, pres.; J. H. Misner, vice-pres.; C. M. Lamb, sec.-treas. Directors—C. G. Ivey, J. H. Misner, A. W. Milne, Port Dover, Ont.; D. F. Aiken, Simcoe, Ont.; G. P. Campbell, Toronto, Ont.

Whittall Can

Controls 11 Canning Plants in Ontario and Quebec

Whittall Can Co. occupies a strong position in the industry it serves. It manufactures metal packages, sanitary food containers and cans of all kinds.

Through stock ownership, it controls Associated Quality Canners, Ltd., Quebec Canners Corp., and Spring Valley Canners, Ltd., which operate a total of 11 packing plants in Quebec and Ontario.

Capitalization—	Authorized	Outstanding
Pref. 6½% cum. ($100 par).	$3,000,000	$1,900,000
Common (n.p.v.)	300,000 sh.	130,000 sh.

Preferred—Callable at 110. Entitled to par in enforced liquidation. Convertible into 3 common shares up to April 1, 1932. Non-voting, except for the authorization of funded debt, or unless 8 quarterly dividends in arrears, in which latter case shareholders may elect a majority of the board of directors.

57,000 common shares are reserved for the conversion of preferred.

Dividends—Preferred—6½ per cent per annum, cumulative, payable quarterly, 1st Jan., Apr., July and Oct. Initial dividend paid July 1, 1929, and regularly since. Common—None paid.

Funded Debt—None.

Officers and Directors—A. R. Whittall, pres.; D. S. Whittall, vice-pres.; F. R. Whittall, man. dir.; Frank Fernie, sec.-treas.; F. A. Whittall, Gilbert Robertson, E. G. Hanson, all of Montreal; Arthur Allen, Trenton, Ont.

INCOME AND SURPLUS ACCOUNT
For 15 Months Ended Feb. 28, 1930

Net earnings from operations	$236,723
Add: Divs. rec. from Assoc. Quality Canners	88,866
Net income	325,589
Less: Depreciation	76,057
Income tax	12,500
Net profit	237,032
Less: Preferred dividends	92,625
Surplus for year	144,407
Add: Previous surplus	257,088
Inc. in surr. value of life insur.	2,590
Balance carried forward	$404,085
Earn. per Share and Div. Record—	
Preferred: Earned	$12.47
Paid	4.875
Common: Earned*	1.11
None paid.	

*After deduction of preferred dividend for 15 months, common earnings would be 63c.

Market Record—(Calendar Year)—

	*1930 High	*1930 Low	1929 High	1929 Low
Common	9	9	15½	10

*To Oct. 13.

Assoc. Quality Canners

Packing operations of Associated Quality Canners, Ltd., have been satisfactory this year. The company manufactures jams, marmalades and jellies, in addition to its canning activities. Plants are situated at eight points in Ontario. The company is controlled by the Whittall Can Co.

Associated Quality Canners

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	100,000 sh.	80,000 sh.

56,000 shares of the outstanding stock owned by The Whittall Can Co., Ltd.

Dividends—Present rate $1.50 per share per annum, payable quarterly, 1st Mar., June, Sept. and Dec. Initial dividend paid Dec. 1, 1928, and quarterly since.

Funded Debt—None.

Officers and Directors—Officers — F. R. Whittall, chairman; Arthur Allen, pres.; H. W. Stuart, vice-pres. and gen. mgr.; P. G. Prior, sec.-treas. Directors—F. R. Whittall, D. S. Whittall, F. Fernie, Montreal; M. W. Doherty, Toronto; A. Allen, Trenton, Ont.; H. W. Stuart, Hamilton, Ont.

INCOME AND SURPLUS ACCOUNT
Years Ended February 28

	1930 $	1929 $
Net earnings	261,382	298,636
Less: Depreciation	51,387	50,938
Income tax	16,632	19,656
Net profit	193,363	228,042
Less appropriations:		
Organiz. exp. w/o	7,247	7,247
Dividends	120,675	60,000
Surplus for year	65,441	160,795
Add: Previous surplus	160,795	......
Balance forward	226,236	160,795
Earn. per Share and Div. Record—		
Common: Earned	$2.21	$2.71
Paid	1.50	.75

Market Record—(Calendar Year)—

	*1930 H	*1930 L	1929 H	1929 L	1928 H	1928 L
Com.	18¾	10	32½	16	26	25

*To Oct. 13.

Atlantic Sugar

Operations of Atlantic Sugar Refineries, Ltd., have been hampered by world over-production of sugar. The company is reported to have maintained its position reasonably well during the current year, but no marked improvement can be expected until conditions in the sugar market have improved.

The company operates a sugar refinery at Saint John with a capacity of 1,300,000 pounds a day. The plant is on tidewater, which gives it ready access to its raw materials.

Capitalization—	Authorized	Outstanding
Com. (no-par)	78,889 shs.	78,889 shs.
Pref. 7% ($100)	$1,611,100	$1,111,100

Funded Debt—6 per cent first mortgage bonds, maturing in series to 1932, issued $1,570,000 (closed); outstanding $195,000. 5 per cent general mortgage bonds, due 1941, issued $3,926,247; outstanding $3,696,247.

Dividend Record—Preferred—None paid since Dec., 1920. Common—Initial payment of 2½ per cent Oct., 1920. None since. No dividends may be paid until bonded indebtedness is reduced to $3,000,000, or if payment would reduce current assets to less than $750,000. When dividends are paid an equal amount must be placed in the sinking fund for the bonds.

Officers and Directors—Officers—L. J. Seidensticker, pres.; Sir Thos. Tait, vice-pres.; Hon. W. D. Ross, vice-pres.; S. J. LeHuray, sec.; M. J. Savage, treas.; E. S. Johnston, asst. sec.-treas. Directors—Sir Thos. Tait, Hon. C. P. Beaubien, K.C., M. E. Williams, S. J. LeHuray, Lewis J. Seidensticker, H. W. Beauclerk, M. J. Savage, Montreal; W. A. Hobbins, London, Eng.; L. R. Wilson, Hon. W. D. Ross, Toronto, Ont.; J. B. Coombs, D. P. Thomas, New York; J. L. Counsell, K.C., Hamilton, Ont.

INCOME AND SURPLUS ACCOUNT
Years ended December 31

	1929 $	1928 $	1927 $
Net earnings	713,362	623,495	678,449
Less: Bond int.	201,920	212,227	222,285
Bk. int., etc.	......	......	66,183
Deprec.	380,277	362,711	359,343
Res. for b. debts	30,000	......	......
Net profits	101,165	48,557	30,638
Add: Bond disct.	16,250	16,313	24,152
Prev. surp.	543,916	492,486	437,697
Less: Adjust.	......	13,439	......
Bal. forward	661,331	543,917	492,486
Times Bond Int. Earned:			
Before deprec.	3.53	2.94	2.75
After deprec.	1.65	1.23	1.13
Div. Record. and Earn. per Sh.:			
Pref., earned	$9.10	$4.37	$2.75
Com., earned*	0.29	...	...
None paid.			

* After deduction of full year's dividend on preferred but without taking arrears into consideration.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1920	2,802,910	262,500	1,106,362
1921	1,445,935	928,416	*5,188,279
1922	990,564	......	*5,060,313
1923	1,459,982	......	*4,487,846
1924	964,103	......	*4,259,195
1925	1,246,391	......	*3,760,342
1926	1,206,892	......	437,697
1927	678,449	......	492,486
1928	623,495	......	543,917
1929	713,362	......	661,331

Market Record—

	1930 H	1930 L	*1929 H	*1929 L	1928 H	1928 L
Com.	8½	4½	19¾	5	27	12
Pref.	45	40	70¼	40	85	70

*To Oct. 6

Lake of the Woods

Earnings Much Reduced Last Year—Operations Now Improved

Lake of the Woods Milling Co. is one of the largest milling organizations in Canada. The company owns and operates seven flour mills and 125 grain elevators throughout the Dominion. The flour mills have a combined capacity of 20,000 barrels of flour a day.

In addition to its milling activities, the company controls two baking companies, the Inter-City Baking Company and Inter-City Western Bakeries, Ltd. The former operates in Montreal, Toronto and Ottawa and Inter-City Western Bakeries owns 13 bakeries in the West.

In common with other flour milling companies, Lake of the Woods suffered a set-back last year due to conditions in the export market. Current reports state that operations are now on an improved basis.

LAKE OF WOODS

Capitalization—	Authorized	Outstanding
Pref. 7% cum. (Par $100. Non-redeemable).	$1,500,000	$1,500,000
Common (No par value).	200,000 shs.	147,689 shs.

In 1928, the 35,000 shares of $100 par, then outstanding, were converted into 105,000 shares of no par value. Stockholders were given the right to subscribe on or before 1st June, 1928, to 35,000 new shares at $50 in proportion of one new share for each three shares held. At the time of this stock split, 8,000 of the new shares were set aside to be subscribed for by employees of the company at $50 per share. These are now issued.

Funded Debt—None.

Dividend Record—Preferred—$7 per annum payable quarterly, Mar., June, Sept. and Dec. 1. Paid regularly since 1903. Common—$3.20 per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Dividends have been paid on common each year since 1904.

Officers and Directors—Officers—Frank S. Meighen, C.M.G., pres. and man. dir.; William W. Hutchison, vice-pres. and gen. mgr.; N. J. Breen, western gen. mgr.; M. H. Hutchison, sec.; T. F. McNally, treas.; A. C. McMillan, asst. treas. Directors—F. S. Meighen, C.M.G., T. Bienvenu, W. W. Hutchison, R. W. Reford, W. Molson, H. MacKay, K.C., Rt. Hon. Lord Shaughnessy, K.C., P. F. Sise, J. W. Pyke, Hon. R. Lemieux, K.C., P.C., Montreal; N. J. Breen, I. Pitblado, K.C., G. W. Allan, K.C., Winnipeg; J. W. Hobbs, Toronto.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
Years Ended August 31

	1930 $	1929 $	1928 $
Net earn.†	188,412	906,941	689,588
Less: Deprec.	75,000	75,000	75,000
Net profit	113,412	831,941	614,588
Less appropriations:			
Pref. divds.	105,000	105,000	105,000
Com. divds.	471,570	467,532	400,267
Employees' pension	......	50,000	25,000
Int. on new stk. paymts.	910	2,413	4,996
Surplus for yr.	*464,068	306,996	79,825
Add: Prev. surp.	1,000,518	793,522	714,197
Bal. carr. for'd.	536,450	1,000,518	793,522

*Deficit.
†After deduction of all operating expenses, provision for doubtful accounts and income tax.

Earnings per share and Dividend Record:

Preferred:			
Earned	$7.56	$55.46	$40.97
Paid	7.00	7.00	7.00
Common:			
Earned	§0.057	$4.91	§3.44
Paid	3.20	3.20	**7.60

§Based on new common stock of no par value.
**Two quarterly dividends of 3 per cent each paid on old common stock of $100 par value and two quarterly dividends of 80 cents each paid on new common stock of no par value.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1921	$762,073	$576,570	$1,262,867
1922	713,087	525,000	1,278,455
1923	732,218	525,000	1,328,773
1924	740,767	525,000	1,379,541
1925	193,486	525,000	933,027
1926	271,792	525,000	679,819
1927	634,378	525,000	714,197
1928	689,588	505,267	793,522
1929	906,941	572,533	1,000,518
1930	188,412	576,570	536,450

Market Record—

	*1930 H	*1930 L	1929 H	1929 L	1928 H	1928 L
Com.	47	29	65½	43	61¾	51
Pref.	124	113	128½	115	125	110

*To Oct. 13.

INTER-CITY BAKING
(Controlled by Lake of the Woods Milling)

Capitalization—	Authorized	Outstanding
Common (Par $100).	$4,000,000	$2,129,500

Funded Debt—First mortgage, series "A" 5½ per cent, due 1948; outstanding $1,600,000.

Dividend Record—Paid 4 per cent March 11, 1929; 4 per cent March 27, 1930, and 2 per cent Aug. 25, 1930. To be placed on quarterly dividend basis.

Officers and Directors—Officers—Frank S. Meighen, C.M.G., pres.; G. C. Morrison, vice-pres. and gen. mgr.; F. H. Brown, vice-pres.; R. Lamothe, vice-pres.; A. E. Adams, sec.-treas. Directors—Frank S. Meighen, C.M.G., G. C. Morrison, R. Lamothe, L. M. Strachan, M. H. Hutchison, Montreal, P.Q.; F. H. Brown, R. G. Cowan, J. E. Anderson, Toronto, Ont.

INCOME AND SURPLUS ACCOUNT
Years Ended January 31

	1930 $	1929 $
Net earnings*	287,575	317,495
Less: Depreciation	100,000	100,000
Bond and other interest	88,000	82,535
Net profit	99,575	134,960
Less appropriations: Dividends	85,180	70,000
Surplus for year	14,395	64,960
Add: Previous surplus	64,960	......
Balance carried forward	79,355	64,960
Times Interest Earned:		
Before depreciation	3.27	3.85
After depreciation	2.13	2.64
Earnings Per Share and Dividend Record:		
Common: Earned	†$4.68	$7.71
Paid	4.00	4.00

*After deducting all expenses of operation, and providing for doubtful debts and income tax.
†Based on the 21,295 shares, representing the subscribed common stock of the company as at January 31, 1930. The dividend of 4 per cent was paid on the 21,295 shares.

INTER-CITY WESTERN BAKERIES

Capitalization—	Authorized	To be Issued
Pref. 6% cum. (Par $10).	$390,000	$390,000
Common (No par value).	200,000 sh.	130,000 sh.

Preferred convertible at any time up to May 1, 1935, into common stock on basis of share per share. May be redeemed at par ($10 per share).

88 per cent of the common shares are owned by Lake of the Woods Milling Co.

Funded Debt—First mortgage series "A" 6½ per cent bonds, due 1950, issued $1,500,000.

Dividend Record—Preferred 6% per anunm, cumulative payable half yearly May and Nov. 1. Initial dividend due Nov. 1, 1930.

Officers and Directors—G. C. Morrison, Montreal, pres. and man. dir.; J. M. Speirs, Winnipeg, vice-pres. and gen. mgr.; Brig.-Gen. F. S. Meighen, and W. W. Hutchison, Montreal; N. J. Breen and Isaac Pitblado, K.C., Winnipeg; H. B. Addems, Regina; T. Cameron, Calgary, William Rennie, Victoria; N. Addems, Saskatoon; S. C. Wise, Moose Jaw; A. C. Cowan, Vancouver; W. Ross Grant, sec.-treas.

Laurel Packing Co.

Laurel Packing Co. is in the meat packing business at St. Boniface, Man.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. (Par $100).	$400,000	$250,000
Common (No par value).	3,500 shs.	3,500 shs.

Preferred—Has preference as to assets and dividends.

Common—Originally offered as bonus with purchase of preferred at the rate of one for every three preferred shares purchased, or two for every five shares purchased.

Funded Debt—None.

Officers and Directors—L. F. McCarthy, pres.; John Innes, vice-pres.; E. J. Jordon, sec.-treas.; A. Hitchcock, H. A. Marples.

Canadian Canners

Company Contracts for Crops on Double 1929 Acreage

Canadian Canners, which is engaged in the canning of fruits, vegetables, jams, jellies, catsups, meats and soups, is the largest organization of its kind in the British Empire. It owns and controls 63 canning factories in Ontario, three in Quebec and seven in British Columbia. It likewise owns and operates farms in nine different counties in Ontario. A chemical laboratory at Hamilton, machine shops at Aylmer and Simcoe, Ont., and a cider and vinegar plant at Brighton, Ont., are also operated by the company.

For five successive years the company has increased its dividends. Whether or not that will be the case in 1931 cannot of course be predicted at the moment, but to date it appears likely that Canadian Canners will have a highly profitable year. There has been no shortage in major crops and stocks have been growing rapidly. Acreage, the crops of which have been contracted for, is approximately double the total of last year.

The working capital of Canadian Canners exceeds $7,000,000.

Formed originally in 1903 as Canadian Canners Consolidated Company, operations were commenced with 30 factories. In 1923 the name was shortened to Canadian Canners.

Capitalization—	Authorized	Outstanding
1st pref., 6% ($100 par)	$5,000,000	$4,557,150
2nd conv. pref. (n.p.v.)	400,000 shs.	364,572 shs.
Com. (n.p.v.)	200,000 shs.	136,994 shs.

Funded Debt—General mortgage bonds, 6%, due 1950, $2,439,000. First mortgage sinking fund, 6% bonds of Dominion Canners, due 1940, $1,146,700.

Dividend Record—1st Pref. 6% per annum, payable quarterly, Jan., April, July and Oct. 2. Initial dividend paid Jan., 1928. 2nd Preferred—Present rate $1 per annum, payable Jan., April, July and Oct. 2. Initial dividend paid Jan. 2, 1928, at rate of 60c. per annum. Increased to 80c. with payment of April 1, 1929. Increased to $1 with payment of July 1, 1930. Common—$1 per share per annum, payable Jan., April, July and Oct. 1. Initial dividend of 12½c. per share paid April 1, 1929. Increased from 50c. with payment of July 1, 1930.

Officers and Directors—Officers—Avern Pardoe, pres.; Mark Bredin, chairman of board and first vice-pres.; W. R. Drynan, second vice-pres. and gen. mgr.; C. E. Innes, asst. gen. mgr.; P. Croucher, sec.-treas. Directors—A. Leitch, W. R. Drynan, Hamilton, Ont.; Avern Pardoe, W. G. Lumbers, H. C. Scholfield, Mark Bredin, J. A. Northway, Toronto; Lt.-Col. W. G. MacKendrick, D.S.O., Oakville, Ont.; W. L. Innes, C. E. Innes, Simcoe, Ont.; E. A. Pearce, Picton, Ont.; G. C. Edwards, Ottawa, Ont.

INCOME AND SURPLUS ACCOUNT
Period Ending

	*Feb. 28 1930 $	Dec. 31 1928 $	Dec. 31 1927 $
Net earnings	1,909,633	836,205	813,465
Less: Bond int.	262,004	233,457	236,332
Depreciation	400,000	......	......
Net profit	1,247,629	602,748	577,133
Less appropriations:			
Old pref. div.	......	......	318,997
1st pf. div.	273,426	273,426	68,356
2nd pf. div.	291,654	218,741	54,685
Com. div.	68,471	......	......
Surp. for yr.	614,078	110,581	135,004
Add: Pr. sur.	766,130	655,459	520,454
Less: Trans. to invest & contin. reserve	400,000	......	......
Car. forward	980,208	766,130	655,548
Times Bond Int. Earned:			
After deprec.	5.76	3.58	3.44
Div. Record and Earn. per Share:			
Old preferred:			
Earned	...	...	$6.33
Paid	...	...	3.50
New 1st pref.:			
Earned	$27.37	$13.22	5.66
Paid	6.00	6.00	1.50
New 2nd pref.:			
Earned	2.67	0.90	0.52
Paid	0.80	0.60	0.15
Common:			
Earned	4.98	0.87	0.99
Paid	0.50	none	none

* 14 months period. Fiscal year changed to Feb. 28.

Earnings—

Year	Earnings	Dividends	Surplus
1923	$535,070	$	$350,648
1924	704,265	......	811,123
1925	722,424	295,874	995,621
1926	777,229	364,568	520,454
1927	813,466	442,039	655,549
1928	836,205	492,167	766,130
1930*	1,909,633	633,551	980,208

* 14 months to Feb. 28.

Market Record—

	1930 H	1930 L	1929 H	1929 L	1928 H	1928 L
Common	22¼	15½	28	16½	24½	17
1st pref.	94	86	92	84½	98	88½
2nd pref.	22½	16¾	28½	17	26	19

*To Oct. 6.

Agnew-Surpass

Company Now Operates 48 Stores in Ontario and Quebec

Sales of Agnew-Surpass Shoe Stores, have been reasonably well maintained in face of general business conditions. The company was fromed in 1928 to acquire the John Ritchie Co., John Agnew Co., and Surpass Shoe Co.

Since its inception wide expansion has been undertaken and the company now operates 48 retail shoe stores. Through the John Ritchie Co., Agnew Surpass is engaged in the manufacture and wholesale distribution of boots and shoes.

Capitalization—	Authorized	Outstanding
Pref., um., con. (Par $100).	$1,500,000	$1,000,000
Common (N.p.v.).	*135,000 sh.	80,000 sh.

*45,000 common shares are held for the conversion of the preferred.

Preferred—7 per cent cumulative convertible, preferred as to dividends and assets, callable in whole or in part on 30 days' notice at 110 and dividend.

Funded Debt—None.

Dividend Record—Preferred—7 per cent per annum, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid July 1, 1928, and regularly since. Common—None paid.

Officers and Directors—Officers—J. E. Warrington, pres.; F. Bauslaugh, vice-pres.; K. R. Gillelan, sec.-treas.; H. H. Gibaut, asst. sec.-treas.; H. M. Millar, asst. sec. Directors—J. E. Warrington, M. J. Sheehy, Quebec, P.Q.; J. Bauslaugh, F. Bauslaugh, Brantford, Ont.; H. A. Greene, Toronto, Ont.; R. D. Bell, Montreal, P.Q.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
For the Year Ended May 31

	1930 $	1929 $
Gross earnings	227,488	197,259
Less: Depreciation	27,664	22,924
Net earnings	199,824	174,335
Less: Income tax	15,652	14,927
Net profit	184,172	159,408
Less appropriations: Pref. dividends	70,000	71,055
Surplus for year	114,172	88,353
Add: Prev. surplus	88,077	......
Less: Adjustments*	350	276
Balance carried forward	210,899	88,077

*Equity of minority interests in profits of subsidiary companies.

Earnings per sh. and Div. Record—

Preferred: Earned	$18.42	$15.94
Paid	7.00	7.00
Common: Earned	1.43	1.10
None paid.		

Market Record—

	*1930 High	*1930 Low	1929 High	1929 Low
Common	14	8¼	18	11
Preferred	95½	90	101	94

*To Oct. 13.

Holt-Renfrew

Holt-Renfrew and Co. is reported to have made reasonable progress in face of the business depression. The company deals in furs, men's furnishings and ladies' ready-to-wear clothing. The company maintains retail stores at Toronto, Quebec, Montreal and Winnipeg and owns and operates a silver fox ranch.

During 1929 the Montreal store, which was previously leased, was purchased. The company has made steady headway since its incorporation in 1919.

Capitalization—	Authorized	Outstanding
Common ($100 par).	$1,000,000	$1,000,000
Pref. 7% cum. ($100 par).	1,000,000	1,000,000

Funded Debt—First mortgage sinking fund 6½% bonds, series "A," due 1937; outstanding, $503,500.

Dividend Record—Preferred—7% per annum, cumulative, payable quarterly, Jan., April, July and Oct. 1. Paid regularly. Common—3% per annum, payable quarterly. Initial payment July 3, 1928.

Officers and Directors—Officers—Hon. L. C. Webster, pres.; R. S. Coltart, vice-pres. and man. dir.; R. G. Liddy, sec.-treas. Directors—Sir Herbert S. Holt, Hon. L. C. Webster, Hon. D. O. L'Esperance, A. J. Brown, J. W. McConnell, R. S. Coltart, R. B. Lindsay, R. G. Liddy, Montreal; W. H. McWilliams, Winnipeg.

Income and Surplus Account
Years Ended January 31

	1930 $	1929 $	1928 $
Net earnings*	256,466	387,488	363,385
Less: Deprec.	52,851	49,927	43,304
Interest	42,860	49,332	42,970
Alterations w/o	.....	29,628	21,958
Bond disc. w/o	.....	3,000	3,000
Net profits	160,755	265,601	252,153
Less appropriations:			
Pref. divids.	70,000	70,000	70,000
Com. divids.	30,000	22,500	......
Surplus for yr.	60,755	173,101	182,153
Add: Prev. surp.	819,009	645,908	463,755
Bal. forward	870,764	819,009	645,908
Times All Interest Earned:			
Before deprec.	5.98	9.85	8.46
After deprec.	4.75	8.58	7.45
Earnings Per Share and Dividend Record:			
Pref.: Earned	$16.08	$26.56	$25.22
Paid	7.00	7.00	7.00
Com.: Earned	9.08	19.56	18.22
Paid	3.00	2.25	...

* After providing for income tax.

Market Record—

	*1930 H	*1930 L	1929 H	1929 L	1928 H	1928 L
Common	120	120	135	106½	120	80
Pref.	96¼	93	106½	108½	100	98

*To Oct. 6.

P. T. Legare

Quebec Merchandising Project Earns Interest and Dividends

Bond and debenture interest on the funded debt of P. T. Legare in 1929 was earned 3½ times after depreciation, while preferred dividends were earned nearly six times. The company's securities, therefore, are attractive in their respective classes.

P. T. Legare is an important merchandising organization operating in Quebec, New Brunswick and Eastern Ontario. Management is thoroughly competent.

Capitalization—	Authorized	Issued
Common (n.p.v.)	150,000 shs.	100,000 shs.
Pref., 7% cum. conv. ($100 par)	$1,500,000	$616,200

Preferred shares are convertible into common at any time on the basis of 3 common for each preferred. Callable at 107½; sinking fund provided.

Funded Debt—6% first mortgage sinking fund bonds, due 1947; authorized $1,500,000; issued $1,165,000; outstanding $1,103,200. 6% redeemable debentures, due 1977; authorized, issued and outstanding $700,000. Convertible until 1947 into an equal amount of 6% prior preferred stock, carrying voting rights.

Dividends—Preferred—7% per annum, payable quarterly, 1st March, June, Sept. and Dec. Paid regularly since Dec. 1, 1927.

Officers and Directors—Officers — J. H. Fortier, pres. and gen. mgr.; P. W. Fortier, vice-pres. and sales mgr.; P. C. Falardeau, sec.-treas. Directors—J. H Fortier, P. W. Fortier, Hermann Fortier, Leo L. Legare, P. C. Falardeau, Quebec; D. L. McLeod, Toronto.

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1929 $	1928 $	1927 $
Net earnings.	463,006	457,633	397,862
Less: Depr.	113,410	112,389	124,198
Bond int.	58,389	59,400	67,754
Deben. int.	42,000	42,000	30,000
Net profits	249,207	243,844	158,408
Less appropriations: Pref. divds.	43,134	42,000	40,221
Surp. for yr.	206,073	201,844	118,187
Add: Pr. surp.	887,706	685,863	571,534
Bal. car. for.	†1,093,779	†887,707	†697,721

† Income tax not provided for.

Times All Int. Earned:			
Before depr.	4.61	4.51	2.72
After depr.	3.48	3.40	2.16
Earn. per Share and Dividend Record:			
Preferred:			
Earned	40.44	39.57	27.72
Paid	7.00	7.00	7.00
Common:			
Earned	2.06	2.02	1.26
None paid.			

P. T. LEGARE CO. LIMITED

Head Office — QUEBEC

Established 1877

Operating a Chain of 66 Stores

and a Distribution through

1000 LOCAL AGENCIES

in the

PROVINCE OF QUEBEC
EASTERN ONTARIO
WESTERN PART OF MARITIMES

HANDLING:-

Home Furnishings and Farming Machineries

Furniture, Carpets, Draperies, Stoves, Pianos, Phonographs, Radios
Electric Washers — Sewing Machines
Farm Implements
Carriages and Sleighs — Harness
Incubators and Brooders
Fencing — Roofing — Barn Equipments
Etc., Etc., Etc.

The Food Value of Beer

Amongst the most nourishing beverages, beer ranks with the highest. Its extracts, its azote principles, its phosphates and its dextrins combine to give it a high food value.

It is rich in maltose, in unfermentible dextrin and in peptonised albuminoid matter, which makes it an easily digested food. Add to this the aperitive qualities derived from the hop bitters, makes it a real tonic and nutritive food.

It has been established that good beer contains about one and a half ounces per pint of solid substances. These solid substances furnish at least an equal amount of nourishment as the same weight of bread.

When to this is added the fact that it is agreeable to the taste and a satisfactory thirst quencher, it is easy to realize its value, both for domestic and medicinal purposes.

The expert knowledge of how scientifically to combine these qualities, or rather how to produce a beverage in which these qualities will be found in the most suitable proportions, is the secret of that pleasing taste and ability to satisfy which characterizes the best beers and distinguishes them from less high grade products.

In cold climates, beer is regularly prescribed for the nourishment of convalescents. In military hospitals, during the Great War, it was furnished to soldiers who had given blood to patients in "transfusion" cases, during the period that they were recovering from the loss of blood thus suffered.

Millions of the working classes, while engaged in hard physical labor, find in beer a cheap, healthful food which, besides its nourishing effect, possesses invigorating and strength-restoring qualities.

Beer, therefore, must be considered as a beverage conducive to health and which works in the direction of moderation and true temperance.

THE NATIONAL BREWERIES LIMITED
MONTREAL

General Merchandising

Simpsons Ltd.

One of Leading Merchandisers Maintains Sales Volume in Difficult Year

Subsidiaries of Simpsons Ltd. comprise one of the leading retail and mail-order institutions in Canada. There has been great expansion in the main stores in Toronto and Montreal in the last year or two and sales have kept pace with the growth in facilities.

Despite the general decline in business in the present year, it is understood that volume of sales of Simpson's Ltd. have been maintained on the scale prevailing in 1929—a fact which is a tribute to the resourcefulness of the management.

There has been a wider public investment in this company since 1929, when older securities were redeemed and the company refinanced with bonds, preferred stock and two classes of common stock.

Preferred shares of the Robert Simpson Co. are an underlying security which is a gilt edge investment. The 5 per cent first mortgage bonds of the Robert Simpson Co. also are an underlying security on a part of the property; these are held almost entirely in England.

SIMPSONS LTD.

Capitalization—	Authorized	Issued
Pref. 6½% cum. (Par $100; callable at 105).	$20,000,000	$11,250,000
Class "A"	200,000 shs.	120,000 shs.
Class "B" (n.p.v.)	200,000 shs.	120,000 shs.

Class "A" has preference over class "B" as to dividends up to $3 per share; otherwise ranks equally with class "B."

The outstanding capitalization of Simpsons, Limited (old company) at the time of transfer of assets to the new company of the same name, consisted of $5,024,800, 6½ per cent sinking fund collateral trust gold bonds outstanding; $7,000,000, 6 per cent preferred shares, $100 par value, and 100,000 common shares, no par value. The 6½ per cent bonds were redeemed Oct. 1, 1929, at 104. The preferred stock was redeemed Sept. 4, 1929, at 105.

Funded Debt—
1st mortgage and collateral trust bonds: Series "A," 6 per cent, due 1949, outstanding $10,000,000; Series "B," 5½ per cent, due 1949, issued $1,250,000.

Dividend Record—
Preference—6½ per cent cumulative, payable quarterly, May, Aug., Nov. and Feb. 1. Initial dividend paid Nov. 1, 1929; paid regularly since.
Classes "A" and "B"—Class "A" is entitled to non-cumulative dividend of $3 per share before any payment on class "B"; after payment of $3 per share on class "B," both classes share equally any further distribution of assets. Initial dividend of 60c per share paid on class "A" Nov. 1, 1929, and a similar amount Feb. 1, 1930; none paid on class "B."

Officers and Directors—
Officers—C. L. Burton, pres. and gen. mgr.; D. H. Gibson, vice-pres.; Frank Hay, sec. and asst. to pres.
Directors—C. L. Burton, D. H. Gibson, J. H. Gundy, A. J. Mitchell, Strachan Johnston, K.C., H. H. Bishop, Toronto; Sir Herbert S. Holt, H. E. Snell, Montreal.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years Ended:

	††Jan. 29 1930 $	§Jan. 30 1929 $	§Feb. 1 1928 $
Net earn.†	1,307,885	2,962,693	2,773,857
Less: Divs. on pref. of Robt. Simpson Co. ..	119,830	201,000	201,000
Bond int.	346,154	337,385	346,797
Tax res. ..	143,750	248,305	231,803
Exp. re issue of pref. shares	......	170,934	......
Reserve for bonuses, etc.	187,541	359,889	362,753
Net profits	1,010,580	2,645,180	1,631,504
Less dividends:			
Pref. (old)	......	139,726	......
Com. (old)	......	400,000	400,000
Res. for com. (old) divds.*	......	100,000	100,000
Pref. (new)	379,166	......	......
Class "A"	60,000	......	......
Res. for Class "A" divds.*	60,000	......	......
Surp. for year	511,414	1,005,454	1,131,504
Add: Prev. surp.	......	2,782,360	1,650,856
Bal. forward	511,414	3,787,814	2,782,360

†Combined net profit from operations after deducting selling and general expenses, subscription and donations, depreciation, bond interest of constituent companies, directors' fees and provision for bad debts.
*Last quarter of dividend reserved for payment after date of statement.
§Old company.
††Report covers seven months' period from June 27, 1929, to Jan. 29, 1930.

Times Int. Earn.	4.88	8.19	—	7.42

Earn. per Sh. and Div. Record:

Pref.: Earned	$10.11
Paid	*3.80
Class "A": Earned	5.26
Paid	*1.00
Class "B": Earned‡	2.26
None paid.	

*Consists of initial dividend Nov. 1, 1929, and regular quarterly dividend payable Feb. 1, 1930.
‡After deduction of $3 payable on Class "A."

Market Record (Calendar Year)—

	*1930 H	L	1929 H	L
Pref. (new) ...	95½	89	93½	89
Class "A"	55	45	60	50
Class "B"	37½	30	45	27

*To October 13.

ROBERT SIMPSON CO.
(Wholly owned and controlled by Simpsons Ltd.)

Capitalization—	Authorized	Outstanding
Pfd. 6% cum. (Par $100).	$6,000,000	$3,350,000
Common (Par $100).	9,000,000	8,350,000

Common is owned entirely by Simpsons, Ltd.

Funded Debt—
1st mortgage, 5 per cent bonds, due 1952, outstanding $1,622,839.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Pref.	108	100	111	100	108	100

*To October 13.

Acadia Sugar

Over-production in the world sugar market makes for low profits for Canadian sugar refiners. Acadia Sugar Refining Co. is reported to have done reasonably well this year in face of adverse conditions. The company owns a sugar refinery at Woodside, near Halifax, with a daily capacity of 1,250,000 pounds of sugar.

The company also owns and operates a cooperage plant at Moncton, N.B. and a box and barrel factory at its Woodside plant.

Capitalization—	Authorized	Outstanding
Common	$1,500,000	$1,500,000
Pref. 6% cum. ..	1,500,000	1,500,000

(Both stocks par $5 and $1).

Funded Debt—
6% first mortgage sinking fund bonds, due 1946; outstanding, $2,333,900.
7% general mortgage sinking fund bonds, due 1946; outstanding, $711,633.

Dividend Record—
None paid by present company. None paid on old stock since 1915.

Officers and Directors—
Officers—J. McG. Stewart, K.C., pres.; D. R. Turnbull, man. dir. and sec.
Directors—J. C. MacKeen, Edward J. Longard, J. McG. Stewart, K.C., D. R. Turnbull, G. E. Smith, Walter A. Black, Halifax; H. F. Stevenson, J. B. Ramsay, Robt. Thom, Glasgow, Scotland; Hon. T. W. McGarry, K.C., Toronto.

INCOME AND SURPLUS ACCOUNT
Years Ended

	Dec. 28, 1929 $	Dec. 29, 1928 $	Dec. 31, 1927 $
Net earnings	373,720	398,484	316,926
Less:			
Deprec.	189,369	211,991	119,643
Bond interest	183,668	185,830	190,363
Surplus for year ...	683	663	6,920
Add:			
Prev. surplus	127,351	131,394	124,474
Adjustments	277	......	......
Less:			
Adjustments	......	4,706	......
Balance forward ...	128,311	127,351	131,394
Times Interest Earned:			
Before deprec.	2.03	2.14	1.66
After deprec.	1.00	1.00	1.04

Hudson's Bay Co.

Long-Term Investment Prospect Good Despite Criticism by Minority

Hudson's Bay Co. is the oldest merchandising organization operating in Canada and one of the oldest in the world. The three main departments of the business are the stores, fur trading and land. The company has invested heavily in buildings in a number of Western cities. The fur-trading posts are steadily being extended northward in advance of settlement. The company still has more than 2,500,000 acres of farm lands which it carries in its balance sheet at no cost.

There are substantial holdings of the company's stock in this country but the number of shareholders is small. Control of the company is in England but gradually the managerial authority of the Canadian committee and officials is being extended. The long term investment prospect is good, although at the present time there is a committee enquiring into complaints of a minority group of shareholders.

Capitalization—	Authorized	Outstanding
Com. (£1 par)	£3,000,000	£2,492,224
Pref. 5% cum. (£5 par)	£2,000,000	£2,000,000

Funded Debt—
None.

Officers and Directors—
Officers—Charles V. Sale, governor; Sir Frederick H. Richmond, deputy governor; G. W. Allan, K.C., chairman of Canadian committee; J. Chadwick Brooks, secy.
Directors—Charles V. Sale, Sir Frederick H. Richmond, L. D. Cunliffe, V. H. Smith, Sir Hewitt Skinner, Bart., Lord Ebury, D.S.O., M.C., the Hon. A. J. P. Howard, A. K. Graham, London; George W. Allan, K.C., Winnipeg.
Canadian Committee—George W. Allan, K.C., chairman; James Thomson, James A. Richardson, Robert J. Gourley, Conrad S. Riley, Hugh B. Lyall.

Dividend Record—
Common:

1918	40%	20%	15%	+	5%
1919	45%	20%	15%	+	10%
1920	40%	15%	15%	+	10%
1921	40%	15%	15%	+	10%
1922	45%	10%	20%	+	15%
1923	19½%	2%	15%	+	2½%
1924	10%	....	15%	+	5%
1925	20%	....	15%	+	5%
1926	23¼%	3¼%	15%	+	2%
1927	20%	10%	10%		....
1928	25%	10%	15%		....
1929	25%	10%	15%		....
1930	17½%	7½%	10%		....

Preferred: 5 per cent per annum, paid January and July, out of profits from trade only. Paid regularly since Jan., 1913.

INCOME AND SURPLUS ACCOUNT
TRADE ACCOUNT
Years Ended May 31

	1930 $	1929 $	1928 $
Total income	236,491	556,197	544,410
Less exp. ..	18,022	6,115	6,115
Net profit .	218,469	550,082	538,295
Less approp.			
Pref. div.	100,000	50,000	50,000
Ord. div. .	200,000	150,000	150,000
Div. equal. acct.	......	75,000	225,000
Insur. fund	......	......	50,000
Welfare fd.	......	......	25,000
Inc. tax on divds. ...	20,000	......	......
Sur. for yr.	†101,531	275,082	38,295
Add: Trans. from land acct. ..	150,000	......	......
Less: Div. pd. on acct. of land	150,000	......	......
Add: Prev. sur.	375,167	329,251	184,122
Adj.	......	......	*200,000
Less: Inc. tax on divs.§	14,167	29,167	19,167
Int. on new issue	58,000	......	24,000
Divs. pd. but applic. to prior year‡			
Pref. .	50,000	50,000	50,000
Ordin. .	150,000	150,000	......
	1,469	375,167	329,251

*Provision for contingencies no longer required.
‡Dividends payable July 1 to shareholders of record June 15. These dividends apply on the operations of the previous year but do not appear in the income and surplus account until the year following the period in which they were earned. Preference dividends are in respect of trade only.
§Partly applicable to prior years.
†Deficit.
Note:—It should be noted that beginning 1930 the company has adopted a different method of accounting with regard to dividend payments, dividends payable both Jan. and July of fiscal years being deducted.

Earnings per Share and Dividend Record:

Preference:			
Earned ..	10.92%	27.50%	26.91%
Paid	5.00	5.0	5.0
Ordinary:			
Earn. from trade ...	4.75	22.50	21.91
Paid from trade:			
July 1* ..	2.50	7.5	....
Jan. 1 ..	2.50	7.5	7.5
Paid from land on July 1 ..	7.50	10.0	10.0

Total disbursement on ordinary shares shown under the year upon whose operations the disbursements applied:
†17.5 25.0 25.0 20.0 23.5 20.0 20.0

*Semi-annual dividends paid July 1, apply on operations of the last half of the previous fiscal year. This applies both to the semi-annual dividend in respect of trade and disbursement, when made, in respect of the land account.
†Includes a dividend of 2.5 per cent in respect of trade and a disbursement of 7.5 per cent in respect of land proposed for payment on July 1, 1930.

Market Record (Calendar Year)
London Stock Exchange. Quotations in shillings and pence.

	*1930	1929	1928
Pref.-High	102/6	101/3	101/-
Low	96/3	93/9	93/-
Ord.-High	93/1½	130/7½	132/6
Low	67/6	82/6	91/3

*To June 12.

Muirhead's Cafeterias

Muirhead's Cafeterias, Ltd., which has grown from one restaurant capable of accommodating 25 people 25 years ago to four restaurants with a combined seating capacity of 850 people, passed the common dividend in July because the business depression and very keen competition decided the directors in favor of the policy of conserving cash for a time. Preferred dividends are still being paid.

Capitalization—	Authorized	Outstanding
Pref. ($10 par) ...	$500,000	$85,900
Common (n.p.v.)	100,000 shs.	78,710 shs.

Preferred 7½ per cent cumulative; callable at 115; sinking fund provided.

Funded Debt—
None.

Dividend Record—
Preferred—7½ per cent per annum, payable 1st Mar., July and Nov. Paid regularly.
Common—Dividends of approx. 80c. per share per annum, have been paid since 1927; the dividend of 10c. expected by shareholders in July, 1930, was passed.

Officers and Directors—
H. A. Greene, chairman; A. S. Tindale, pres. and gen. mgr.; H. M. Millar, sec.-treas.; E. G. McMillan, Stuart Playfair, Toronto.

INCOME AND SURPLUS ACCOUNT
Years Ended Feb. 28

	†1929 $	1928 $	1927 $
Net earnings	70,347	90,003	71,624
Less: Deprec.	24,000	23,000	13,000
Written off	3,000	3,000	3,000
Taxes	3,531	5,266	4,586
Net profits	39,816	58,737	51,038
Less: Pref. divs.	6,709	18,301	22,899
Common divs.	31,416	29,156	......
Prem. on stock red.	310	256	......
Surp. for year	1,381	11,025	28,139
Add: Prev. surp.	39,163	28,139	......
Income tax adj. ..	48	......	......
Bal. forward	40,592	39,164	28,139

†Latest available.

Market Record—(Calendar Year)—

	*1930	1929	1928
Pref.: High	8¾	10	17½
Low	8½	8	11½
Common: High	4	11½	16½
Low	2	3	7

*To Oct. 13.

National Grocers Co.

Canadian Interests Now Control—Sales Are Well Maintained

The year ending June 30, 1930, has been a notable one for National Grocers Co. in that it cleared off all its obligations to the banks and the control of the company definitely passed into the hands of Canadians. Archie Foster, who took a part in the original merger which eventually brought together 28 jobbing branches and warehouses, has again been appointed general manager.

Directors were elected at the meeting in September which more nearly represents the present control. Working capital is shown to be strong in the report for the year ending June 30, 1930, and earnings on common stock were down from 90 cents to 72 cents a share. Current sales are reported to be well maintained in view of depressed business conditions.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	300,000 shs.	295,852 shs.
1st pfd. 8% cum. ($100 par).	$1,000,000	$590,900
2nd pfd. 7% cum. ($100 par).	3,500,000	2,953,200

1st and 2nd preferred callable at 110; sinking fund provided.

Funded Debt—
6½ per cent sinking fund gold notes, due 1932, outstanding $1,559,500.

Dividend Record—
1st Preferred—8 per cent per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Paid regularly since 1926.
2nd Preferred—7 per cent per annum, cumulative from Aug., 1925, payable quarterly, Jan., April, July and Oct. 1. Initial dividend of 1¾ per cent paid Jan., 1929, with similar payments July 1, 1929, Jan. 1, 1930, July 1, 1930, arrears approximately 28 per cent.
Common—None paid.

Officers and Directors—
Officers—J. R. Peters, pres. and gen. mgr.
Officers — Archie Foster, pres. and gen. mgr.; S. M. Kennedy, 2nd vice-pres. and sec.-treas.
Directors—John Medland, D. Blain, S. M. Kennedy, T. H. Kinnear, J. R. Peters, Peter White, K.C., Toronto, Ont.; H. E. Eldred, H. D. Whitehouse, Chicago, Ill., W. H. Kenny, Sarnia, Ont.; M. D. Lemon, Owen Sound, Ont.; A. J. Major, Ottawa, Ont.

INCOME AND SURPLUS ACCOUNT
Years ended June 30

	1930 $	1929 $	1928 $
Net earnings ...	620,587	695,016	585,518
Less: Deprec. ..	120,156	118,367	116,930
Bond int.	104,959	111,521	117,212
Prov. for taxes	29,824	34,500	26,000
Net profit	365,648	430,628	325,376
Less: 1st pfd. div.	48,972	60,034	4,254
2nd pref. div.	103,362	103,362	......
Surp. for year	213,314	267,232	251,122
Add: Prev. surp.	452,716	265,116	100,591
Less: Adjust. and loss on equip. sold	35,102	31,632	25,093
Bond disc. and organ. exp. ..	48,000	48,000	48,000
Income tax	......	......	13,504
Trans. to conting reserve	20,130	......	......
Bal. forward ..	562,798	452,716	265,116
Times Bond Int. Earned:			
Before deprec.	5.91	6.23	5.00
After deprec.	4.77	5.17	4.00
Earn. per Sh. and Div Record:			
1st pfd., earn.	$61.88	$61.31	$38.61
Paid	8.00	8.00	8.00
2nd pfd., earn.	10.72	12.55	8.50
Paid	3.50	3.50	...
Common earn.	0.72	0.90	...
None paid.			

Market Record (Calendar Year)—

	*1930	1929	1928
1st pref., high ..	108	106	101
Low	100	98	98

*To August 13.

A. J. Freiman

Ottawa Department Store Has Had Long Record of Success

A. J. Freiman Ltd. is one of the leading department stores in Ottawa, with a record of success extending over many years. Other stores are operated in Pembroke and Renfrew. The management which built the original success has continued since the public offering of stock in 1928 and, as the district served prospers, this company should do well although there is competition from units of larger chains.

Preferred dividends are earned by a wide margin.

Capitalization—	Authorized	Outstanding
Preferred .... (Par $100).	$2,000,000	$975,000
Common .... (No par value).	130,000 sh.	85,000 sh.

Funded Debt—
None.

Dividend Record—
Preferred—6 per cent per annum, cumulative, payable Jan., Apr., July and Oct. 1. Initial dividend paid July, 1928, and regularly since.
Common—None paid.

Officers and Directors—
Officers—A. J. Freiman, pres. and gen. mgr.; S. R. Ouellette, sec.-treas.
Directors—A. J. Freiman, Lillian B. Freiman, J. F. Asselin, Joseph I. Phillips, Frank W. Bender, Ottawa; D. I. McLeod, Toronto.

INCOME AND SURPLUS ACCOUNT
Years Ended January 31

	1930 $	1929 $
Net earnings	327,460	321,409
Less: Depreciation	40,000	40,000
Income tax	21,914	22,353
Net profit	265,546	259,056
Less appropriations:		
Pref. dividends	59,250	40,108
Sinking fund	21,895	......
Surplus for year	184,401	218,948
Add: Previous surplus ...	717,650	498,702
Balance carried forward ..	902,051	717,650
Earnings Per Share and Dividend Record:		
Preference: Earned ...	$27.24	$25.91
Paid	6.00	4.50
Common: Earned	†2.43	†2.34
None paid.		
Shares Outstanding at end of Fiscal Years:		
Preference	9,750	10,000
Common	85,000	85,000

*After deducting a full year's preference dividend.
†Before provision for sinking fund of $21,895.

Brock Co. (Western)

Brock Co. (Western) Ltd., which had been operated for 18 years as a branch of the W. R. Brock Co., wholesale drygoods distributors, of Toronto, was separately financed in 1928. Brock Co. (Western) is at Calgary and the management is said to be competent.

Capitalization—	Authorized	Outstanding
1st pref. .... Par $100.	$200,000	$135,000
2nd Pref. .... Par $100.	100,000	100,000
Common	3,000 shs.	2,500 shs.

First Preferred: Has preference as to assets and sinking fund; ranks equally with 2nd preferred as to dividends; callable at 105; sinking fund of 2% to retire first preferred. A contingent fund provided to ensure the payment of preferred dividends, for which 1¾% of the total preferred stock issued is to be set aside annually until the fund reaches $20,000. If dividends are two years in arrears, holders have the right to take over the business, to operate or liquidate it.

Second preferred: All held by Lt.-Col. H. Brock and Lt.-Col. R. A. Brock.

Funded Debt—
None.

Dividend Record—
1st Preferred: 7% per annum, cumulative, payable 1st Jan. and July. Paid regularly. Common: $1 paid in 1929; $3 in 1928; $2 in 1927. No common dividend may be declared if working capital is less than $250,000, or net earnings for the year less than $30,000.

Officers and Directors—
W. H. Berkinshaw, pres. and man. dir.; F. B. Archer, credit mgr.; R. C. Thomas.

Western Grocers

Wholesalers Made Steady Progress, Though May Have Felt Depression

Western Grocers, Ltd., is a wholesaler with growing retail connections in the prairie provinces. The Red and White chain is supplied from the warehouses of this company in Winnipeg, The Pas, Calgary, Moose Jaw, Regina, Prince Albert, Kenora, Fort William.

There has been a steady increase in profits for the last three years although it may be expected that the report for 1930 will reflect the unfavorable conditions which have prevailed in Western Canada in recent months. In 1929, the earnings were $12.22 on each share of preferred, the dividend requirement being $7.

The management of the company is reputed to be excellent.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. ($100 par).	$2,500,000	$1,194,300
Com. (n.p.v.)	30,000 shs.	16,943 shs.

Preferred participates equally with common in any distribution of profits after 8 per cent has been paid on common. Has equal voting rights with common.

Dividends—
Preferred—7 per cent per annum, cumulative, payable Jan., Apr., July and Oct. 15. Arrears of dividends up to Dec., 1925, 17½ per cent, were cancelled by reorganization and distribution of capital stock. Paid regularly since 1926.
Common—None. $1 per share was paid in 1927; none since.

Funded Debt—
None.

Officers and Directors—
Officers—W. P. Riley, pres.; W. H. McWilliams, vice-pres.; Eben Govan, sec.-treas.; W. S. Graham, asst. sec.-treas.
Directors—W. P. Riley, W. H. McWilliams, H. W. Hutchinson, G. W. Markle, all of Winnipeg.

INCOME AND SURPLUS ACCOUNT
Years ended December 31

	1929 $	1928 $	1927 $
Net earnings† ..	193,170	176,124	162,140
Less: Deprec. on equip.	15,648	19,068	18,292
Depr. on bldgs.	20,113	16,817	15,872
Tax res.	11,500	11,139	10,018
Net profits	145,909	129,032	117,958
Less appropriations:			
Pref. divds.	83,601	83,601	83,601
Com. divds.	......	......	16,943
Surp. for year ..	62,308	45,481	17,414
Add: Pr. surp. ..	309,491	264,010	246,596
Bal. car. for. ...	371,799	309,491	264,010

†After deducting all operating expenses, interest paid on bank and mortgage loans, and making provision for bad and doubtful accounts.

Earn. per Sh. and Div. Record:

Pref., earned	$12.22	$10.81	$9.87
Paid	7.00	7.00	7.00
Com., earned	3.68	2.68	2.03
Paid	...	...	1.00

Market Record (Cal. Year)—Montreal:

	*1930	1929	1928
Pref., high	68	93½	90
Low	55	70	75
Common, high	23	38	35
Low	17	20	20

*To October 13.

Traymore

Large Restaurant Chain is Recovering from Losses of Last Year

Traymore, Ltd., reports better earnings for 1930 to date than were experienced in 1929. In 1929 the company suffered some weakening in working capital position because of finding it necessary to spend more money than had been intended on Savarin Restaurant in Toronto and in connection with the new Harmony lunch in the Dominion Square building, Montreal.

A bond issue of $200,000 was offered by Cooper & Mackenzie to help the company in this respect. Since that time reports indicate increased business and profits both in Toronto and Montreal.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	150,000 shs.	95,864 shs.
Pref. 7% cum. (Par $20).	$1,500,000	$535,940

Preferred—Redeemable at $24; sinking fund provided. Has full voting power.
Common—8,500 shares offered as bonus with original issue of preferred shares; balance not publicly offered.

Funded Debt—
None.

Dividend Record—
Preferred 7 per cent per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Paid regularly since July 1, 1927.
Common—Two quarterly payments totalling 25c. were made in 1928; none since.

Officers and Directors—
Officers—G. G. Plaxton, pres.; William F. Croucher, gen. mgr.; Edward J. Swift, sec.
Directors—G. G. Plaxton, H. W. Stewart, J. A. Gairdner, O. A. Doherty, Dr. R. G. Jackson, E. J. Swift, all of Toronto.

INCOME AND SURPLUS ACCOUNT
(Years ended December 31)

	1929 $	1928 $	*1927 $
Net earnings ...	106,578	139,062	116,660
Less: Deprec. ...	30,000	29,005	23,322
Net profit	76,578	110,057	93,338
Less appropriations:			
Pref. divs.	28,137	43,222	41,711
Pref. s. f. res. ..	6,683	4,163	......
Com. div.	......	23,878	......
Gen. res.	39,154	10,000	10,000
Surp. for year ..	2,604	28,794	41,627
Prev. surp.	70,421	41,627	......
Bal. car. for. ...	73,025	70,421	41,627
Earn. per Sh. and Div. Record:			
Pref., earned	$2.86	$4.11	*$2.19
Paid	1.05	1.40	*1.05
Com., earned	†.34	.66	*0.80
Paid	nil	.25	nil

*Nine months' period.
†After deducting full year's dividend on the preference stock.

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Pref.	12	9	17¾	8	19	18
Com.	4	1	9	3	10	8

*To October 13.

McLennan, McFeely & Prior

McLennan, McFeely & Prior, Ltd., is a wholesale dealer in hardware in Vancouver. The company was formed in 1928 to take over two businesses, one of which had been operating since 1859 and the other since 1886.

Capitalization—	Authorized	Outstanding
1st pref. .... (Par $100).	$2,000,000	$1,200,000
2nd pref. (Par $100).	2,000,000	568,000
Common (Par $1).	1,000,000	56,884

Funded Debt—
None.

Dividend Record—
1st and 2nd preferred—6½ per cent per annum, cumulative, payable Jan., Apr., July and Oct. 1. 1st preferred accrues from July 1, 1928.

Officers and Directors—
Officers—Andrew Houston, pres.; Gordon Farrell, vice-pres.; C. P. W. Schwengers, man. dir.; W. G. Ferris, asst. gen. mgr. and sec.-treas.
Directors—Andrew Houston, Gordon Farrell, C. P. W. Schwengers, Hon. Sir Frank S. Barnard, K.C.M.G., Frank Wilkinson, R. P. Butchart, R. P. McLennan, H. A. Ross, J. H. McLennan.

Holsum Packing

Holsum Packing Co. was incorporated in 1927 to acquire a predecessor company of similar name which manufactures jams, jellies, pickles, sauces etc., at Victoria, B.C. It is a small company with a favorable record.

Capitalization—	Authorized	Issued
Pref. 7% cum. .... (Par $10).	$50,000	$20,000
Common .... (Par $1)	$50,000	$30,000

Dividend Record—
Preferred—7 per cent cumulative, payable June and Dec. 15.

Directors—
A. H. Alexander, M. W. Graham, W. Barrowclough, Rev. M. Bruce, R. S. Twining, J. A. Scott, Hugh Allan.

Blue Ribbon Corp.

Blue Ribbon-Pure Gold Merger Works Out Favorably

Blue Ribbon Corp. is a holding company for the Pure Gold Manufacturing Co. and Blue Ribbon Ltd. Though both the subsidiaries are old and established companies, the holding company was only organized in March, 1930. Under the plan of acquisition shareholders of the Pure Gold Manufacturing Co. received one-fifth of a share of preferred stock of the holding company together with seven-tenths of a share of common stock of the holding company for each old common share held. Shareholders of Blue Ribbon received one new preferred share for each old preferred share held and one new common share for each old common share held.

Capitalization—	Authorized	Outstanding
Common .... (No par value).	150,000 shs.	63,259 shs.
Pref. 6½% cum. .. ($50 par).	$1,500,000	$1,483,450

Preferred is cumulative from May 1, 1930; redeemable at $52.50; convertible at any time into 1⅓ shares of common.

All the capital stock was issued in exchange for stock of the companies acquired on the following basis: Shareholders of Pure Gold Mfg. Co. received 1-5 share of preferred and 7-10 share of common for each common share held; shareholders of Blue Ribbon Ltd. received share for share of preferred and common.

Funded Debt—
None.

Dividend Record—
Preferred—6½ per cent per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend paid Aug. 1, 1930.
Common—Present rate $2 per share per annum, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid July, 1930.

Officers and Directors—
Officers—W. S. Greening, pres.; James MacKay, vice-pres.; J. C. Jamieson, sec.-treas.
Directors—W. S. Greening, Lt.-Col. J. F. Michie, W. K. Fraser, K.C., A. C. Matthews, Toronto; James MacKay, Isaac Pitblado, K.C., J. M. de C. O'Grady, Winnipeg.

CONSOLIDATED INCOME & SURPLUS ACCOUNT
Year Ended June 30, 1930.

Operating profit	$254,688
Less: Depreciation	18,914
Revaluation of stocks and bonds of customer companies	5,848
Organization expenses	4,000
Net profits*	225,926
Less: Divds. paid and declared ...	242,499
Surplus for year	‡16,573
Add: Balance at credit in sub. companies' books at as June 30/29	141,274
Less: Elimination in respect of inter-company holdings and minority interests	3,168
Balance carried forward	$121,533

‡Deficit.
*Before income tax.

§Earnings per Share:

Preferred	$7.61
Common	2.05

§Based on the net profit as shown above, and, in the case of the common stock, after the deduction of a full year's preferred dividends on the outstanding preferred stock, namely $96,424.

Market Record—

	1930 (to Oct. 6) High	Low
Preferred	38	30½
Common	19	11

BLUE RIBBON LTD.

Capitalization—	Authorized	Outstanding
Common .... (No par value).	50,000 shs.	30,000 shs.
Preference .... (Par $50).	$1,000,000	$1,000,000

All except 331 preferred and 216 common shares owned by Blue Ribbon Corp., Ltd.

Funded Debt—
None.

Dividend Record—
Preferred—6½ per cent per annum, cumulative, paid regularly since Aug. 1, 1928.
Common—$2 per annum, paid regularly since Oct. 1, 1928.

Officers and Directors—
Officers—James MacKay, pres.; H. E. Cochran, vice-pres.; K. C. Weiss, sec.-treas.
Directors—James MacKay, Isaac Pitblado, K.C., J. M. de C. O'Grady, Joseph Ball, Winnipeg; H. E. Cochran, Toronto; Brig.-Gen. V. W. Odlum, Vancouver, B.C.

INCOME AND SURPLUS ACCOUNT
Year Ended June 30, 1929

Net profit*	$191,017
Less appropriations.	
Preferred dividends	65,000
Common dividends	60,000
Surplus for year	66,017
Adjustments cr.†	1
Balance carried forward	$66,018

*After all charges including depreciation and reserve for doubtful accounts but before income tax.
†Refund re fractional cents on preferred dividends.

Earn. Per Share and Div. Paid—

Preferred: Earned	$9.55
Paid	3.25
Common: Earned	4.20
Paid	2.00

Market Record—

	‡1930 H	L	1929 H	L	1928 H	L
Pref.	39	35	51	34	50	47
Com.	24	16	45½	20	46	40

‡To April 7, when new company's shares were listed.

PURE GOLD MFG.

Capitalization—	Authorized	Outstanding
Common (n.p.v.) .	60,000 shs.	*50,000 shs.

*All owned by Blue Ribbon Corp., Ltd.

Funded Debt—
None.

Dividend Record—
$2 per annum; increased from $1.50 in July, 1928. Paid regularly.

Officers and Directors—
Officers—W. S. Greening, pres.; C. R. Cherry, 1st vice-pres.; C. E. Spooner, 2nd vice-pres.; J. C. Jamieson, sec.-treas.
Directors—W. S. Greening, C. R. Cherry, C. E. Spooner, J. C. Jamieson, R. C. Lee, W. G. Cherry, A. C. Matthews, all of Toronto.

INCOME AND SURPLUS ACCOUNT
(Years Ended June 30)

	1929 $	1928 $	1927 $
Net earnings	141,769	136,560	119,004
Less:			
Depreciation ..	20,900	10,000	9,500
Tax reserve ...	9,037	9,310	8,016
Organ exp. w/o	4,000	4,750	5,035
Net profits	107,832	112,500	96,453
Less divds.	100,000	75,000	75,000
Surp. for year ...	7,832	37,500	21,453
Add: Prev. surp. ..	80,789	43,289	21,836
Balance fwd.	88,621	80,789	43,289
Earnings Per Share and Dividend Record:			
Common:			
Earned	$2.16	$2.25	$1.93
Paid	2.00	1.50	1.50

Market Record—(Calendar Year)—

Common:	*1930	1929	1928
High	25	40	31
Low	23	25	22

*To April 7, when new company's shares were listed.

Hamilton Leather Goods

Hamilton Leather Goods Co. was incorporated in 1928 to take over a retail business in that city which had been long established.

Capitalization—	Authorized	Issued
Pref. 7% cum. ...... ($25 par).	$250,000	$125,000
Common (n.p.v.) ..	15,000 shs.	6,250 shs.

Preferred is callable at 110; sinking fund provided.
3,750 common shares are reserved for the conversion of preferred.

Dividends—
Preferred—7 per cent per annum, cumulative from June, 1928, payable 1st Mar., June, Sept. and Dec. Initial dividend paid Sept. 1, 1928, and quarterly since.
Common—None paid. No dividends may be paid on common until all preferred dividends are paid and sinking fund requirements met, nor if payment would reduce net assets to less than $25 and net current assets less than $20 per share of preferred stock outstanding.

Funded Debt—
None.

Officers and Directors—
Officers—James Dixon, pres.; D. M. Cameron, vice-pres.; R. L. Anderson, gen. mgr.; E. G. Dixon, sec.-treas.
Directors—James Dixon, D. M. Cameron, R. L. Anderson, E. G. Dixon, Hamilton; A. G. Mackenzie, H. G. Cooper, Toronto.

Non-alcoholic Beverages

Charles Gurd Co.

Sales Show Moderate Increase Over Last Year to Date

Charles Gurd & Co. has made satisfactory progress this year and sales to date compare favorably with those of 1929. The company carried out a substantial expansion programme last year and installation of new equipment increased its capacity by about 30 per cent.

Early in 1930, Charles Gurd made arrangements for distribution of its products in the three prairie provinces and British Columbia.

Capitalization—	Authorized	Issued
Common (n.p.v.)	60,000 shs.	60,000 shs.
Pref. 7% cum. (Par $100).	$500,000	$270,000

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, payable quarterly, Jan., April, July and Oct. 1. Initial dividend paid Oct. 1, 1927, and regularly thereafter.
Common—$2 per annum, payable quarterly, Jan., April, July and Oct. 1. Dividends have been paid on common since Oct. 1, 1927.

Officers and Directors—
Officers and Directors—Alexander McA. Murphy, pres.; R. J Varley, sec.-treas.; Walter Gurd, A. Chaput, R. L. Ellis and George Hogg, Montreal.

INCOME AND SURPLUS ACCOUNT
Years End. Dec. 31

	1929 $	1928 $	*1927 $
Net earn. after prov. for depr. & inc. tax....	207,645	207,017	96,987
Net profit	207,645	207,017	90,509
Less appropriations:			
Pref. divs.	21,000	27,959	17,500
Com. divs.	120,000	72,375	22,250
Surp. for year..	66,645	106,683	50,759
Add: Prev. surp.	157,442	50,759	......
Bal. carr. for'd..	224,087	157,442	50,759

*Period from June 9 to Dec. 31, 1927, only.

Earn. Per Share and Dividend Record:

Pref.: Earned..	$69.21	$69.00	$18.10
Paid	7.00	7.00	3.50
Com.: Earned ..	3.11	2.98	3.28
Paid: Prior to split on Oct. 25, 1928 ...	...	1.75	1.00
After 2 for 1 split	2.00	0.40	...

Market Record—

	*1930 H	L	1929 H	L	1928 H	L
Com.	41	25	45¾	24	46	37½
Pref.	110	110	110	110	110	106

*To October 6.

Charles Gurd & Co. (Maritime)
(Controlled by Charles Gurd & Co.)

Capitalization—	Authorized	Outstanding
Preferred .... (Par $100.)	$150,000	$150,000
Common (No par value.)	2,500 sh.	2,100 sh.

Dividend Record—
Preferred—6½ per cent cumulative, payable quarterly, on 15th March, June, Sept. and Dec. Initial dividend accrued from June 1, 1928, was paid Sept. 15, 1928, and quarterly since.
Common—None paid.

Officers and Directors—
G. P. Hamm, pres. and man. dir.; F. W. Hamm, prod. mgr.; R. Paterson, all of Saint John, N.B.; Alex. McA. Murphy, W. R. Gurd, and Armand Chaput, all of Montreal.

INCOME AND SURPLUS ACCOUNT
As at December 31, 1929

Net profit	$13,754
	13,754
Truck depletion	200
Less: Dividends	9,749
Surplus for year	3,805
Add previous surplus	175
Balance carried forward	3,987
Earn. per Share and Div. Record:	
Preferred:	
Earned	$9.04
Paid	6.50
Common:	
Earned	1.81
None paid.	

Gurd (Maritime)

Charles Gurd & Co., Maritime, manufactures and distributes products of its parent company, Charles Gurd & Co. The plant is located in Saint John, and in addition to local distribution the company handles a considerable export business to the West Indies and Bermuda.

Wilson-Murray

Wilson-Murray Co. was formed in 1925 as a merger of Wilson Chemical Co. and the Murray Co., Ltd. Products include a complete line of soda fountain fruits and syrups; also a complete line of household drugs and sundries, such as flavoring extracts, camphorated oil, glycerine and other commodities.

The plant is located in Saint John.

Capitalization—	Authorized	Issued
Common .... (No par value.)	40,000 shs.	....
Pref. cum. 7% ..... (Par $10.)	$300,000	$300,000

Preferred offered with bonus of two shares common with each ten preferred. 2,700 shares common outstanding at time of this offer.

Orange Crush

Expansion of Company Continues—Results in 1930 More Favorable

Orange Crush, Ltd., which began business in 1921 as Orange Crush Bottlers with a plant at St. Thomas, Ont., has expanded until now it has bottling plants in various parts of Canada and owns interests in companies doing business in the United States and Cuba.

The company has exclusive rights for 99 years from March 4, 1924, to manufacture and distribute in Canada, Newfoundland and Cuba, Ward's orange, lime, chocolate and lemon crushes in concentrated bottled form, fountain syrup and ice cream flavoring compounds.

Through its subsidiary Honey Dew, Ltd., the company has also an interest in a light refreshment business serving sandwiches, pie, milk, tea, coffee and honey dew.

In 1929 the company's working capital, though still ample, was somewhat down from the two previous years. Its first preferred dividends amply earned but the second preferred dividends, though paid, were not altogether earned after depreciation was deducted of $32,236. During 1930 reports have indicated continued expansion by the company.

Capitalization—	Authorized	Issued
Common .... (No par value).	186,000 sh.	80,000 sh.
1st pref. 7% cum. conv. ($100 par)	$650,000	$650,000
2nd pref. cum. conv. (n.p.v.)	40,000 sh.	40,000 sh.

First preferred shares are convertible on or before Jan. 1, 1933, into common stock on the basis of four common shares for each first preferred share held, the conversion to apply whether or not the preference shares have been called for redemption. Second preferred are convertible under the same conditions on the basis of two common shares for each second preferred share held.

Funded Debt—
None.

Dividends—
First preferred—7 per cent per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid Apr., 1928.
Second preferred—$2 per share per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Second preferred participates equally, and to the same amount per share with common shares in any dividends paid, after payment of cumulative dividends on first and second preference shares. Initial dividend of 50 cents paid Apr., 1928, and regularly thereafter to Oct. 1, 1929; none since.
Common—None paid.

Officers and Directors—
Officers—R. B. Lindsay, pres.; E. H. Lindsay, vice-pres.; R. H. Lindsay, vice-pres.; R. T. MacDonald, sec.-treas.
Directors—R. B. Lindsay, E. H. Lindsay, R. H. Lindsay, N. MacDonald, Henry Wright, James Langskill, J. A. Gairdner, O. A. Doherty, E. C. Lindsay, Toronto; E. D. Martin, Winnipeg; W. E. Barlow, Havana, Cuba.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1929 $	1928 $
Net earnings	†133,819	164,395
Add: Int., rentals, etc.	8,640	14,451
Total net earnings	142,459	178,846
Less: Interest paid	11,638	12,308
Depreciation	32,236	32,886
Income tax res.	9,513	8,761
Profit for year	89,073	124,891
Less appropriation:		
1st & 2nd pref divds. ..	105,500	121,303
Surplus for year	†16,427	3,588
Less: Prev. surplus	3,588	......
Adjustment	987	......
Balance forward	†11,852	3,588
Earn. per Sh. and Div. Record:		
1st pref.: Earned	$13.71	$19.21
Paid	7.00	7.00
2nd pref.: Earned	1.09	1.98
Paid	1.50	2.00

† Deficit.

Market Record—

	1930 H	L	1929 H	L	1928 H	L
Common	3	1	20	5	25¾	14½
1st. pref.	66	45	97¾	50	106	98
2nd. pref.	15	7⅞	43½	15	51	38

*To Oct. 6.

Honey Dew

Honey Dew, Ltd., which is controlled by Orange Crush, has shown increased sales and profits in 1930 to date over the experience in 1929.

The earnings objective of the company's 45 shops and 11 concessions in various parts of Canada for 1930 is $350,000 before depreciation, and to date it is ahead of its objective.

The present company, (organized in 1928 to take over a company which had been begun in 1914 under private auspices), has shown quick expansion in the last two years.

Honey Dew Western, Ltd. operates Western stores and Honey Dew, Inc. United States stores, both these companies being subsidiaries.

Capitalization—	Authorized	Outstanding
Class "A" pref. (no par value).	15,000 sh.	15,000 sh.
Common .... (No par value).	108,500 sh.	108,500 sh.

65 per cent of the common shares are owned by Orange Crush.

Dividend Record—
Class "A" preference—$7 per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1. Accrued from July 1, 1928. Initial dividend of $1.75 was paid Oct. 1, 1928, and regularly since.

INCOME AND SURPLUS ACCOUNT
Period from Feb. 11, 1928, to Dec. 31, 1929

	$
Gross sales	2,315,579
Less: Operating expense	1,964,385
Operating profit	351,194
Add: Int. earned on call loans ..	22,338
Net earnings	373,532
Less: Depreciation	104,205
Res. for income tax	21,500
Net profits	247,827
Less appropriations:	
Preference divds.	141,114
Surplus for period	106,713
Earn. per Share and Div. Record:	
Preferred: Earned	*$16.52
Paid	8.75
Common: Earned	0.98
None paid.	

* On the basis of $8.64 per annum.

MONTHLY SALES

	1930 $	1929 $	% Incr.
January	97,703	86,743	12.64
February	91,628	77,041	18.93
March	101,220	88,538	14.34
April	111,887	101,452	10.24
May	134,622	129,927	3.61
June	155,954	148,377	5.10
Six mos. total	693,184	632,073	9.67

Market Record—

	*1930 High	Low	1929 High	Low	1928 High	Low
Com.	13	6	43	9	41	38
Pref.	64	55	85½	64	85	83¼

* To October 6.

Willards Are Forging Ahead!

WITH the gratifying success of its new Willards Willow Chocolate Bars and with a substantial increase in the demand for its other products, Willards Chocolates Limited anticipate a future of increasing prestige and prosperity.

The Company is in a splendid position. Its plant, in Toronto, has a daily capacity of 70,000 lbs. of confectionery and chocolate. With ample capitalization — with a completely modernized plant — and with their products selling readily throughout Canada, Great Britain, the United States and other countries — the Company is right on the threshold of wide expansion and progress.

Five Willard Willow Successes
Willow Milk
Willow Nut Meats
Willow Almond
Willow Toffee Milk
Willow Nut Milk

Other Outstanding Willards Products
Sweet Marie
Ann Hathaway
Cherry Ripe
and a full line of high class confectionery and chocolate products.

Willards Chocolates Limited
Toronto, Canada

Production IN THE Food Products INDUSTRY

Far-sighted Food products manufacturers are constantly striving to find new ways and means to simplify their production problems and increase the efficiency of their methods of production. They realize the importance of reliable motor power as an aid to production. The elimination of unexpected shut-downs increases production efficiency by assuring continuity of service.

Westinghouse motors, because of their many exclusive and distinctive features are exceptionally well qualified to meet your requirements for maximum production with greatest efficiency.

For proven quality and performance, specify Westinghouse Motors and Control.

Service, prompt and efficient by a coast to coast chain of well equipped shops.

Canadian Westinghouse Company, Ltd.
Head Office — HAMILTON
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Westinghouse

7012

Insurance for Buyer and Seller

INSURANCE SALES OFF TEN PER CENT FROM 1929 FIGURE

But September Shows Increase Over August

U. S. A. IS COMPARED

Ordinary Business Across Border Drops Similar Amount But Other Groups Gain

Despite the fact that 735 of the leading life insurance writers in Canada, were at Toronto during the week of September 22, 1930, attending the fourth international convention of life underwriters, sales of ordinary life insurance during the month made a very satisfactory showing, according to figures released by the Life Insurance Sales Research Bureau of Hartford, this week.

The September total was $39,643,000 which, although 10 per cent below the September, 1929, figure, was the best record for that month in any year with the exception of 1929, and was over $2,500,000 higher than sales during August, 1930. The figures are based on the experience of 15 companies which had in force 84 per cent of the total legal reserve ordinary life insurance outstanding in Canada as at Jan. 1, 1930.

The total amount of insurance sold in Canada during the first nine months of the year was $425,295,000 according to this record, which is only 5 per cent less than the record figure of 1929. In two months, namely March and June, production showed an increase over 1929 and in other months there was a decline.

Saskatchewan is Lowest

Analyzed by provinces, Saskatchewan still makes the poorest showing, September production there having dropped 30 per cent below the 1929 figure. In that province the total business written during the first nine months of the year amounts to only 79 per cent of the 1929 figure. Manitoba and Alberta have made a considerably better showing for the month and also for the nine-month period. Sales in Manitoba are down 20 per cent for September as compared with a year ago and down 10 per cent for the year to-date. Alberta is down 14 per cent for September, and 13 per cent for the year.

The best showing for the month was in Ontario and Quebec, the areas where 70 per cent of the total Canadian business is written. In Ontario, September sales were only 5 per cent below the 1929 figure and in Quebec the drop was only 7 per cent. For the first three quarters of the year, Quebec has sold exactly the same amount of insurance as during the first nine months of 1929, while Ontario shows a decline of 6 per cent.

The Maritime Provinces make a better showing for the first nine months than they do for September. In the past month sales in Nova Scotia were only 91 per cent of the 1929 figure, while for the first nine months of the year they are 94 per cent of the last year's figure. In New Brunswick, September sales declined 17 per cent, while for the nine months period they are only off 1 per cent. Prince Edward Island maintains its position as the province with the best record for the year, business in the first nine months having been 119 per cent of the 1929 total. There was a decline of 14 per cent in the business written there in September, as compared with a year ago.

Comparative Figures Shown

The following table shows sales by provinces and the ratio of September figure to the same month a year ago.

	Sept. Sales	Sept. Ratios 1930 to 1929
Alberta	$2,143,000	86%
Br. Columbia	2,753,000	87
Manitoba	2,422,000	80
New Brunswick	1,028,000	83
Nova Scotia	1,334,000	91
Ontario	15,467,000	95
Pr. Edward Island	210,000	86
Quebec	12,003,000	93
Saskatchewan	1,923,000	70
Newfoundland	360,000	92
Total*	$39,643,000	90%

*Canada and Newfoundland.

Sales of ordinary life insurance in the United States for September declined at about the same ratio as in Canada, the 1930 figure being 10.4 per cent below the production in the same month of 1929. The cumulative figures for the first nine months of the year show 1930 running neck and neck with 1929, and actually at the present time, about $3,000,000 or five one-hundredths of one per cent ahead of sales a year ago.

However, it is interesting to note that a compilation of total life insurance sales in the U. S. A., which includes ordinary, group and industrial insurance, shows the September figure to be only 1.2 per cent below the same month a year ago. This figure is shown in a compilation forwarded to the United States Department of Commerce for official use, by the Association of Life Insurance Presidents, combines the records of new life insurance production, exclusive of revivals, increases and dividend additions, of forty-four member companies having 82 per cent of the total life insurance in all United States legal reserve companies.

For September new ordinary insurance of these companies amounted to $545,481,000, against $608,869,000 in 1929, a decrease of 10.4 per cent. New industrial insurance amounted to $210,423,000, against $222,006,000 in 1929, a decrease of 4.8 per cent.

For the first nine months of this year new ordinary insurance amounted to $6,552,079,000, against $6,548,857,000 during the corresponding period of last year, a gain of five one-hundredths of 1 per cent. New industrial insurance was $2,170,066,000, against $2,174,377,000, a decrease of two-tenths of 1 per cent. New group insurance was $850,752,000, against $833,293,000, an increase of 2.1 per cent.

Ordinary Life Insurance Sales*

	1925	1926	1927	1928	1929	1930
January	$30,335,000	$33,907,000	$36,986,000	$47,569,000	$50,575,000	$46,788,000
February	28,698,000	34,744,000	35,525,000	39,962,000	47,443,000	45,499,000
March	35,001,000	40,483,000	42,883,000	44,823,000	49,406,000	50,327,000
April	38,872,000	37,346,000	41,631,000	46,718,000	53,333,000	52,708,000
May	34,377,000	37,703,000	44,553,000	49,581,000	51,283,000	50,085,000
June	42,307,000	44,684,000	45,298,000	51,844,000	54,700,000	55,355,000
July	37,671,000	40,101,000	39,962,000	49,492,000	56,078,000	47,829,000
August	31,724,000	36,010,000	38,360,000	43,503,000	42,468,000	37,061,000
September	33,543,000	34,878,000	35,000,000	38,872,000	43,911,000	39,643,000
October	36,259,000	40,226,000	48,104,000	55,743,000	52,985,000	....
November	36,760,000	44,251,000	44,935,000	54,865,000	56,673,000	....
December	41,822,000	46,777,000	48,899,000	56,647,000	55,350,000	....

Total 1st 9 months, 1930	$425,295,000
Total 1st 9 months, 1929	$449,197,000
Decrease	$ 23,902,000
Decrease, September, 1930, from September, 1929, 10%	$ 4,268,000

*Companies having in force 84 per cent of total outstanding business in Canada. New, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

Guardian Insurance Co. Elect Two New Directors

From Our Own Correspondent

MONTREAL. — George Henderson, of Brandram-Henderson, Ltd., and Lionel O. P. Walsh, president of Dominion Tar & Chemical Co., have been elected to the board of directors of the Guardian Insurance Co. of Canada. They will succeed the late Hon. A. W. Atwater, K.C., and the late F. L. Wanklyn.

The board of directors of this company is now D. Forbes Angus, president; Zephirin Hebert, vice-president; Lieut. Col. W. H. Clark-Kennedy, V.C., D.S.O.; Bertram E. Hards, George Henderson, Hon. Evelyn Hubbard, George W. Reynolds, A. G. Sweet, and Lionel O. P. Walsh.

Charles Bullen Is Shining Light Of Canada Life

Charles F. Bullen, manager of the Chicago branch of the Canada Life Assurance Co., is one of the most outstanding life insurance men in the world, according to a brief item in the current issue of "Life," the company's monthly house organ.

Mr. Bullen is not a publicist and as a result his name is not familiar to many Canada Life people. Only occasionally, and then in the hope that it may be of some help to young men in the company, has he permitted publicity regarding his accomplishments.

Actually at the present time, Mr. Bullen is responsible for about $75,000,000 of the billion dollars or more of business on the company's books. That is to say, about one-fourteenth of the entire business of the oldest life insurance company in Canada owes its origin to a man who came to the company as a junior office clerk on April 26, 1883.

The total life insurance he is responsible for is over $117,000,000. Owing to connections which some of his clients have with other insurance companies it has not always been possible to arrange the entire coverage with the Canada Life. His premium income with the Canada Life exceeds $1,269,000 annually, while the premium income from his total business is over $1,683,000.

Mr. Bullen's field work began in September, 1895, when he applied for and received the position of manager for North Illinois.

He is still actively engaged in the Canada Life, and although his enormous group business takes a good part of his time, he has not lost his art as a personal producer of large policies.

JUVENILE GANGS ADMIT STARTING TWO SCORE FIRES

Relentless Work in Montreal Uncovers Gangland Incendiarism

The Fire Commissioner's Court of Montreal is now putting the finishing touches on an investigation that has been under way in that city for some months into a series of forty mysterious fires which have occurred there in the past eight months.

For many weeks Montreal's police department arson squad in co-operation with Harry Rethoret, manager of the Underwriters' Investigation and Loss Information Bureau of Canada, have been working relentlessly to solve a series of two score fires, many of them quite serious, which occurred in the city this year. The remainder of ten Griffintown juvenile gangs who are considered deliberately responsible for these fires, are now being arraigned before the fire commissioner.

Forty boys, all between the ages of nine years and sixteen, have already appeared before Fire Commissioner Massicotte. Nineteen of them were questioned with particular care and as a result of their startling admissions that they were ringleaders of gangs and instigators of the setting of some two-score fires. They were delegated to appear before Judge Lacroix in Juvenile Court and ordered "retained," while Judge Lacroix investigates their home life and social aspects of the case. Later, their cases will be dealt with, and if circumstances merit such action, will be sent to the Reform School for punishment.

However, it is understood that only a few of the ringleaders will have such drastic sentences meted out to them. Those who are appearing before the Juvenile Court for the first time will be severely lectured by the court and allowed to go home with instructions to report to the Judge every month as regards their conduct. This is the usual procedure in such cases, it is pointed out, as boys appearing before the court for the first time are detained a few hours and then allowed to go home.

Canadian Indemnity Licensed

The Canadian Indemnity Co. of Winnipeg, has been licensed to write liability lines in California. The company's general agents will be Harris & Spear, United States managers for the company.

QUEBEC ENFORCES DRASTIC MEASURES TO PROTECT AGENTS

Unlicensed Underwriting to be Eliminated if at All Possible

Drastic enforcement of the regulations with regard to licensing of life insurance agents is planned in Quebec, according to the executive committee of the Life Underwriters' Association of Montreal. B. A. Dugal, superintendent of insurance for Quebec, reports that there are still about 1,000 unlicensed firms or persons placing risks in the province either direct to companies or licensed agents, and to whom commissions or rebates are paid.

The method that will be used to check up these penalties of the criminal code, will be to force life underwriters to present a sworn affidavit as to any commissions or remunerations that have been paid or promised during the year, at the time that they renew their licenses, namely, between December 10 and January 31, next.

The matter of unlicensed agents was thoroughly discussed last week at an executive meeting of the Life Underwriters' Association of Montreal, presided over by A. J. R. Parkes, president of the association. A feature of the meeting was the presentation of a report by G. H. Beaudry, chairman of the legislation committee, as to the results of a conference which had been held with B. A. Dugal, superintendent of insurance.

"As all know," Mr. Beaudry said, "the Insurance Act of Quebec forbids any insurance company or any firm or individual to act as insurance agent without first obtaining a license from the insurance department. Acting without a license for an agent or the acceptance of a risk by a company from any other person except the insured himself or a notary in certain cases, or from a bona fide licensed agent is also a contravention of the law. The penalties range from a fine of $25 and costs to six months' imprisonment.

New Amendment in 1928

"Three years ago it was noticed that companies were accepting risks from unlicensed agents. In 1928 the Insurance Act was amended (Act 135) obliging companies to make an annual return to the superintendent of insurance giving a complete list of all persons, firms, associations, etc., to whom commissions or remunerations of any kind had been paid or promised to be paid during the past year. It was found that hundreds, not to say thousands, of persons had received commissions from companies although they were not licensed.

"The result was that a lot of unlicensed agents started to place their risks through a licensed agent, avoiding in this way the obligation of taking a license.

"To obviate that, at the beginning of the year 1930, Article 135 was again amended as follows: Every registered company and every licensed agent, if requested so to do, shall make a return under oath to the superintendent of insurance in such form and at such times as he may require, showing all persons, firms, corporations, etc., to whom it has paid or allowed, or agreed to pay or allow to directly or indirectly compensate for placing or negotiating insurance on lives or other insurable interest in the province, or for negotiating the continuance or renewal therof as for attempting to do so.

"In the interview the superintendent of insurance told me that he was firmly convinced that there are in the province still about 1,000 persons or firms placing risks direct to companies or licensed agents, although they have no license and to whom commissions or, even worse, rebates are paid.

"This state of affairs needs the immediate application of radical measures. The superintendent authorized me to tell life underwriters, that from December 10 to January 31, next all licenses in force at the present time according to law must be renewed or mature. Every renewal of licenses must be recommended by a company. The superintendent intends to use the power granted to him by the Legislative Assembly and insist that every renewal demand be accompanied by such a sworn statement from the applicant as otherwise renewal demand will not be considered and returned to the company recommending."

It was stated that many members of the general public are not aware of the fact that in accepting a rebate on a premium for a life insurance policy they are breaking the criminal code and are liable to heavy penalties under the Dominion Insurance Act.

C. W. Lindsay

C. W. Lindsay & Co. is a distributor of pianos, organs, radios, phonographs and other musical instruments. A large proportion of the company's sales are made on the installment plan. The company owns real estate and buildings in Montreal, Quebec, Ottawa and Kingston. Stores are maintained in Montreal, Verdun, Quebec City, Three Rivers, Ottawa, Kingston, Cornwall and Brockville.

The company also has agencies located through Eastern Ontario and the Province of Quebec. Sales have fallen off to some extent this year but a seasonal upswing is anticipated in the near future.

Capitalization—

	Authorized	Issued
Common (n.p.v.)	60,000 shs.	33,008 shs.
Pref., 6½% cum. (Par $100).	$2,000,000	$759,600

Preferred may be exchanged for two shares of common to Jan. 1, 1931. Callable at 110.

Dividends—

Preferred—6½ per cent cumulative, payable quarterly, 1st Mar., June, Sept. and Dec. Paid regularly since June 1, 1928.

Common—$1 per annum, payable quarterly same dates as preferred. Paid regularly since Dec. 1, 1928.

Officers and Directors—

C. W. Lindsay, chairman of board; J. A. Hebert, pres. and gen. mgr.; W. A. H. Robinson, treas.; G. W. Scott, F. G. Donaldson, S. Johnston, all of Montreal; B. A. Edward, sec.

Funded Debt—

Six per cent first mortgage sinking fund bonds, due 1958. Authorized and issued (closed) $1,200,000; outstanding $1,132,000.

INCOME AND SURPLUS ACCOUNT

Years Ended February 28

	1930 $	*1929 $
Net oper. earnings	274,179	302,750
Add other income:		
Int. and disct.	90,767	101,261
Profit on sale of assets	......	5,951
Total income	364,946	409,962
Less: Bond interest	67,923	71,119
Financial exp.	......	6,258
Depreciation	15,837	18,276
Cancellations	11,088	17,477
Inc. tax res.	21,448	23,626
Net profit	248,650	273,206
Less appropriations:		
Pref. divds.	49,470	71,387
Common divds.	32,970	13,042
Surplus for year	166,210	188,777
Add: Prev. surplus	188,777	......
Bal. forward	354,987	188,777
Times Bond Interest Earned:		
Before depr. and cancel.	5.37	5.76
After depr. and cancel.	4.98	5.23
Earn. per Share and Div. Record:		
Pref.: Earned	$32.73	*$36.59
Paid	6.50	6.50
Common: Earned	6.03	*6.15
Paid	1.00	.50

*For fourteen months period.

Market Record—

	Pref. High	Pref. Low	Com. High	Com. Low
1928	100	95	33	31½
1929	130	85	49¼	18
1930*	85	78	27	15

*To Oct. 18.

Wentw.rth Radio

Hamilton and Toronto Stores Increased Sales in 1929—Good Management

Wentworth Radio & Auto Supply Co. operates stores in Hamilton and Toronto. Sales in the year ended April 30, 1930, were substantially higher than for the previous year. Sales in the first four months of the present year, from April 30, were $274,068, compared with $213,980 in the corresponding period of the previous year. At the beginning of the fiscal year, the company had net current assets of $179,721. The management is believed to be competent.

Capitalization—

	Authorized	Outstanding
Pref. 6½% cum. (Par $100).	$500,000	$300,000
Common "A"	50,000 shs.	26,000 shs.
Common "B" (No par value).	4,000 shs	4,000 shs.

Preferred is callable at 110; sinking fund provided. Convertible share for share into common up to June 15, 1931.

Funded Debt—

None.

Dividend Record—

Preferred—6½ per cent payable quarterly, Mar., June, Sept. and Dec. 15. Initial dividend paid Sept., 1928, and regularly since.

Common—None paid. No dividends may be paid on common if preferred dividends or sinking fund in arrears.

Officers and Directors—

Officers—H. H. Slack, pres. and gen. mgr.; G. I. Evans, vice-pres.; A. B. Turner, sec.; J. F. Black, treas.; J. Midgley, mgr. Hamilton store.

Directors—H. H. Slack, H. R. Bain and M. Zahler, Toronto; G. I. Evans, C. L. Messecar, Brantford; A. B. Turner, J. Midgley, Hamilton.

INCOME AND SURPLUS ACCOUNT

Years Ended April 30

	1930	1929
Net earnings	$73,631	$65,738
Less: Depreciation	7,500	7,500
Income tax	4,277	4,200
Life insurance	1,871	2,710
Net profit	59,983	51,328
Less appropriations:		
Pref. dividends	19,500	14,625
Surplus for year	40,483	36,703
Add: Prev. surplus	36,703	......
Income tax adjust.	1,617	......
Bal. car. forward	$78,803	$36,703
Earn. per Share and Div. Record—		
Pref.: Earned	$19.99	$16.78
Paid	6.50	1.62
Class "A" & "B":		
Earned	1.35	1.22
Paid	...	...

Utilize Tar Sands

Success in the extraction of tar from bituminous sands in the McMurray area of Northern Alberta is said to have crowned ten years of effort on the part of Dr. K. A. Clark of the University of Alberta. It is reported that 95 per cent pure tar was taken from the sands in recent experiments and it is estimated that thousands of dollars may be saved in road-building and other developments as a result of the availability of this material.

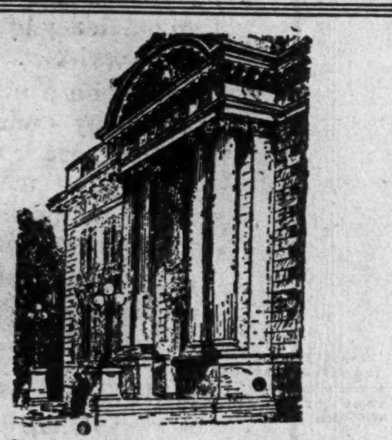
PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost.

This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

ASSETS:
Reserves - - $36,372,031.45
Surplus - - 2,501,088.12

Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CANADA



Assurances in force (Dec. 31st, 1929) $461,310,653
Total Assets 107,408,986
Surplus Earnings (1929) 5,043,035
Offices and Agents in all the principal cities and towns in Canada.
THE MUTUAL LIFE OF CANADA
Head Office: WATERLOO, ONTARIO
Established 1869
R. O. McCULLOCH, President. W. H. SOMERVILLE, General Manager.

FINANCIAL SECURITY
A Monarch Life Insurance policy will protect your family or make your own future financially secure. Rates are low and profits liberal. Write for particulars.
The Monarch Life Assurance Company
Good Openings for Salesmen — Apply, Head Office — WINNIPEG

GEOFFRION & CO.
INVESTMENT SECURITIES
Members of the Montreal Stock Exchange
Members of the Montreal Curb Market
Tel. HArbour 2291*
231 Notre Dame Street West, Montreal
Branches
Canada Cement Bldg. MONTREAL | 93 St. Peter St. QUEBEC | 4 Vignon Street PARIS, FRANCE | 15 Elgin Street OTTAWA

INVESTMENT SECURITIES
T. M. Bell & Company LIMITED
Head Office: SAINT JOHN, N.B.
Moncton Fredericton

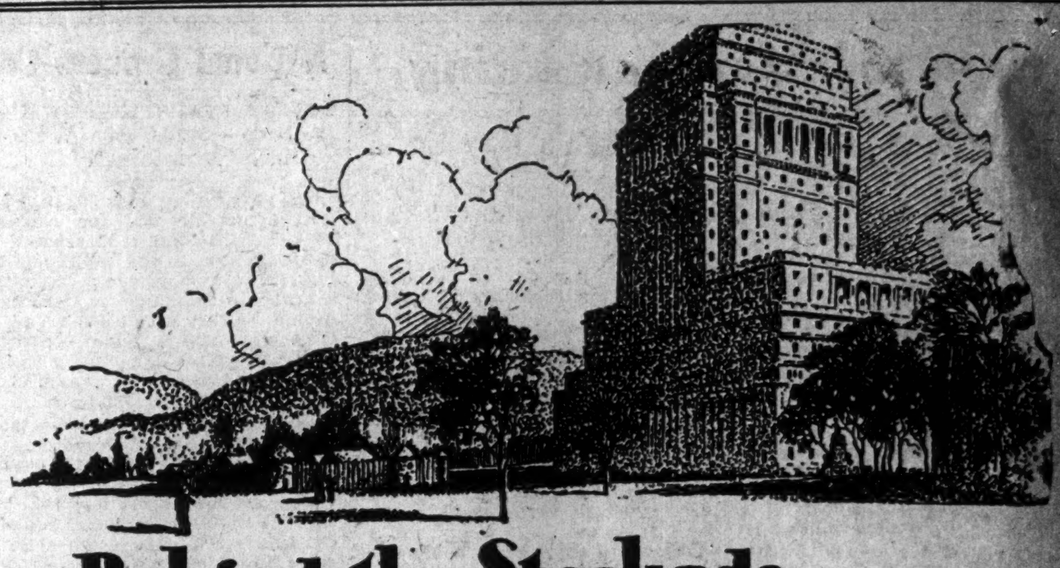
THE Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices.
SASKATOON EDMONTON
CALGARY VANCOUVER

FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
IMPERIAL GUARANTEE AND ACCIDENT INSURANCE COMPANY
ESTABLISHED A.D. 1905

Operating in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
FIRE AUTOMOBILE WINDSTORM
Insurance in force $180,000,000.00
Assets over 2,700,000.00
Agents required in Ontario.
Write 410 Manning Chambers, Toronto.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $4,784,342.81
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown.

The Pension Investment Policy
of
THE EMPIRE LIFE INSURANCE COMPANY
provides an easy, systematic plan for obtaining a guaranteed pension for life after reaching age 60.
Write for Particulars.
The Empire Life Insurance Company
12-14 Wellington St. East
TORONTO, ONTARIO



Behind the Stockade

THE great new head office structure of the Sun Life Assurance Company of Canada in Montreal overlooks the original site of the Indian village of Hochelaga . . . the palisaded capital of the warlike redskins which Jacques Cartier found at the foot of Mount Royal. Nearby still stand the stone towers where the women and children of the white settlers took refuge.

It is significant that the headquarters of the world's greatest international company for the protection of the home by modern methods should be located where the first settlers gathered in block-houses and behind stockades to defend their families against their savage foes.

When days were most dangerous it was behind the stockade that the pioneers sought safety and shelter for their loved ones. Today, under trying business conditions, it is to the sure and tested protection of life assurance that prudent men everywhere increasingly turn.

In proof of this, during the first nine months of this year, the new business of the Sun Life Assurance Company of Canada was over $50,000,000 in excess of that of the corresponding period of the great boom year of 1929.

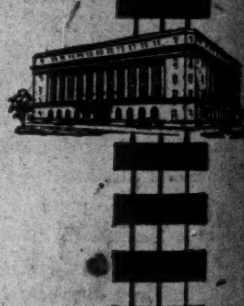
In times of stress, as well as of prosperity, Sun Life policies solve both business and personal problems.

SEE A SUN LIFE MAN

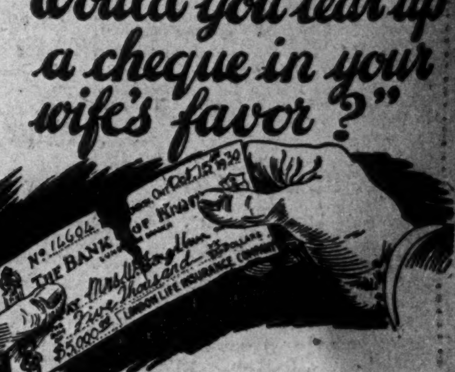
SUN LIFE ASSURANCE COMPANY OF CANADA

THE ONTARIO LOAN AND DEBENTURE CO.
LONDON 59 Years in Business CANADA
Capital, $2,000,000 Reserve Fund, $3,000,000
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages including building loans. Applications invited.
A. M. SMART, President. T. H. MAIN, Manager.

PRUDENTIAL
ASSURANCE COMPANY LIMITED, of LONDON, ENGLAND
ESTABLISHED 1848
Assets Exceed $1,000,000,000
Licensed For Life, Fire and Casualty Insurance
Investments in Canada exceed $35,000,000
Head Office for Canada—Dominion Square Building, Montreal
WESTERN BRANCH: Huron & Erie Building, Winnipeg



METROPOLITAN LIFE INSURANCE Co.
"Will you do it for me"
Many persons have added years to their lives—and have made those years happier through taking advantage of one of the modern roads to good health, a periodic health examination by a qualified doctor. This is the gist of Metropolitan Life's October Welfare advertisement. Further information on the subject may be obtained by writing for Booklet F10 which will be mailed without charge.
CANADIAN HEAD OFFICE · OTTAWA, ONT.



"Would you tear up a cheque in your wife's favor?"

The most pitiful situation any Life Insurance man has to face is to be forced to tell a widow that her husband had deliberately lapsed the insurance upon which she was relying for future needs.

What a crushing set-back to one already carrying a burden of grief and responsibility.

If you are ever tempted to drop your life insurance, put yourself in her place. Think twice before you subject her to such an experience.

Any financial difficulty you may have is probably only temporary. Do not lapse Life Insurance in this or any other company.

London Life Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICE · LONDON, CANADA

Current Events in Banking World

Ontario's Penny Bank Finds Youthful Habits Are Index of Business

Children's Savings Used as Reserve in Time of Depression

DROP 2 PER CENT

Philanthropic Corporation Boasts $1,500,000 of Assets and Serves 195,000 Pupils

By KENNETH R. WILSON

Canada's $1,500,000 bank has just issued a September bulletin on business conditions and has drawn its deductions therein from the banking habits of its clientèle.

The bank is the Penny Bank of Ontario, a philanthropic banking corporation founded in 1904, and the clientèle embraces 195,000 pupils of 448 public schools, situated in 123 cities, towns and villages of Canada, most of them being in Ontario.

The September bulletin is signed by J. R. Littleproud, the bank's inspector, and says: "School savings are a fairly accurate cross-section of the financial position of the country. Marked changes in business conditions always produce corresponding reactions in school savings. In view of present world-wide depression, it is interesting to note the following facts relative to children's banking in Toronto schools:

1. The number of deposits for September, 1930, is less by about 2 per cent of the attendance than in September, 1929.

2. The number of withdrawals has increased during the same period by 5 per cent, while the amount withdrawn is about 15 per cent over the same month a year ago.

3. The number of classes obtaining 100 per cent records has increased from 71 in September, 1929, to 129 in September, 1930.

"From the above observations, three conclusions may safely be drawn:

1. Apparently business conditions are improving: otherwise more than a 2 per cent decrease over September, 1929, would be noted in the deposits.

2. The school savings balances are proving to be an effective reserve fund to provide many children with fall clothing, shoes and so forth. Without this reserve fund, hundreds of these purchases would have been impossible.

3. Parents and children realize the value of regularity in making deposits. The deposits continue in spite of adverse conditions. Naturally many deposits are smaller than formerly; but the regularity of their continuance is a proof that thrift habits are being formed and fixed.

The Penny Bank of Ontario, about which this report is written, is one of the most flourishing institutions of its kind on this continent. As already pointed out, it serves a school population of about 195,000 children located in 448 schools in 123 centres. The total amount on deposit as at June 30, 1930, was $1,277,910, all of which is invested in government and municipal securities under federal government supervision. Assets are over $1,500,000. In the past few years its growth has been phenomenal, the number of schools served having increased from 380 as at June 30, 1929, to 430, as at June 30, 1930.

It has a federal charter and can operate branches in any part of the Dominion. The majority of its branches are in Ontario, although in the last published report, branches are shown at Prince Albert, Sask., and at Petitcodiac, N.B. Some idea of its development since it was first started in 1904 may be gained by the following table showing deposits on hand at the end of its fiscal year (June 30) tabulated by five-year periods:

Growth of Penny Bank Deposits

1904	Bank started
1910	$ 142,681
1915	244,009
1920	608,464
1925	787,541
1930	1,277,911

Crest of Penny Bank

A British penny dated the same year as the foundation of the bank of Ontario, forms the centre of the Penny Bank crest. Behind this is the maple leaf and below the Canadian beaver.

The banking system of this institution is a simple one. There is the head office in Toronto in charge of Miss Elizabeth Armstrong, acting general manager of the bank, who has charge of the permanent staff. Miss Armstrong's staff is the only paid group in the entire organization and all business of the bank is carried on through her staff. Since 1925, J. R. Littleproud has been inspector of the bank and through the direct influence of his kindly personality, the bank has made very considerable strides and has expanded into a large number of new territories.

The head office of the bank serves directly the 106 schools in and about Toronto, which had deposits as at June 30, 1930, of about $680,000. At Ottawa there are 19 school branches handled by a branch of the bank in that city. The remainder of the 448 schools are operated under the Penny Bank by the Canadian chartered banks and trust companies themselves, as follows:

	No. of Schools	No. of Places
Can. Bank of Commerce	48	25
Dominion Bank	21	9
Huron & Erie Mtge. Corp.	22	1
Imperial Bank	55	17
Bank of Montreal	68	25
Bank of Nova Scotia	20	10
Ont. Loan & Debenture Co.	8	1
Banque Provinciale	1	1
Royal Bank	51	24
Bank of Toronto	7	4
Total	301	117

In Toronto, students deposit their money with the teacher of the class every Tuesday morning. The teacher enters the date and amount in the child's passbook and the record is kept by means of a carbon copy. The money is placed in a bag, labelled with the name of the school, the number of the class and the amount of money. The total returns for the school are checked, the money deposited in the nearest branch of a chartered bank, and a cheque for the corresponding amount sent to the head office of the Penny Bank. A week's notice is necessary for withdrawals, this extremely useful precaution having been taken to prevent children from making withdrawals on the spur of the moment.

Had Nine Years Deficits

In actual operation the bank makes a small profit between the interest earned from its investments (mostly municipal securities of the best grade) and the interest (3 per cent) which it pays its depositors. This margin, which is the only source of income, helps to cover expenses incurred in running the institution such as charges for stationery, staff, and so forth. It is interesting to note that at the first, income fell considerably short of requirements and members of the bank had to be called upon for voluntary contributions to tide the venture over. This occurred for nine successive years, and the deficits were made up by the public-spirited citizens who started this unique banking institution.

The growth of the Penny Bank idea in Ontario started back in 1877 when a penny bank was inaugurated in connection with the work of the St. Andrew's Church Mission on Dorset Street, Toronto. This became known as the Penny Bank of St. Andrew's Church Institute. Then on December 31, 1892, a similar savings bank was started in connection with the Central Lodging House for men, and was removed to the Fred Victor Mission building on Jarvis Street, when a new building was opened there a few years later. Both these banks were carried on by voluntary workers and were purely philanthropic institutions.

The first school bank in Canada was opened by the Victor Savings Association in Dufferin School, January 8, 1900, and the work was so successful that twelve more schools were very quickly equipped to care for the pennies of such scholars as wished to open accounts.

In the meantime those in charge of St. Andrew's Church Institute Bank and the Victor Savings Association, realizing the great possibilities of expansion in school savings banks and the necessity for a better and more permanent form of organization than the volunteer associations then existing decided to combine their forces and to seek incorporation from the Dominion Government. As a result the Penny Bank Act of 1904 was framed especially to meet their needs. Its enactment was followed in 1905 by issuance of a charter by the Dominion Government authorizing the Penny Bank of Ontario to do business and empowering it to take over the assets and assume the liabilities of the voluntary institutions already mentioned.

Has Own Act of Parliament

The special act of parliament under which the company operates is a somewhat lengthy document consisting of 42 sections. Of these the most important is that concerning the handling of the bank deposits. The directors are empowered to keep on hand for the payment of withdrawals a sum of money which must not exceed 5 per cent of the total amount of deposits in the bank, and the balance must be placed either in government securities or invested under government supervision. In this way depositors are guaranteed a security as strong as that of government securities themselves. There can be no speculation with the bank's funds.

Also in order to keep the bank's operations within reasonable limits and make it in reality a penny bank, the directors are forbidden to accept deposits that would make the amount at the credit of any depositor exceed the sum of $300. This provision prevents the bank from competing with the chartered banks and emphasizes its character as an auxiliary to these institutions.

Still another interesting feature of this unique bank, relates to the guarantee fund which must be established and maintained in conformity with the requirements of the act. This fund, which is analogous to the capital stock of a chartered bank, must amount to at least $10,000, made up of cash or unpaid subscriptions, guaranteed by a guarantee company approved by the government. Failure to maintain such a fund for six consecutive months invalidates the bank's charter.

The purpose of such a fund is to secure the repayment of deposits made in the bank, with interest, and to take care of all debts and liabilities in the event of the funds in the hands of the directors being insufficient for the purpose. Any person who contributes $100 to such a fund becomes what is termed a "member" of the bank and from the members the directors are chosen. Neither directors, members, nor voluntary workers may receive any remuneration for their services, nor can any profits be divided or paid to members of the bank at any time. At the present time the guarantee fund of the Penny Bank of Ontario amounts to $20,000.

This leads naturally to mention of the personal element in the formation and perpetuation of this most unusual organization. The first president was Hamilton Cassels, K.C., and presidents of leading Canadian banks and other citizens prominent at that time contributed to the guarantee fund. Today Professor M. A. Mackenzie, of the University of Toronto is the exceedingly active and enthusiastic president of the bank, while the directorate numbers many leading citizens such as Sir Joseph Flavelle, Sir George Burn, Lt.-Col. Lockhart Gordon, F. Gordon Osler, and the following leading bankers of Toronto: H. B. Henwood, general manager, Bank of Toronto; H. T. Jaffray, assistant general manager, Imperial Bank; J. A. McLeod, general manager, Bank of Nova Scotia; N. L. McLeod, assistant general manager, Canadian Bank of Commerce; Major S. C. Norsworthy, assistant general manager Bank of Montreal; W. K. Pearce, assistant general manager, the Dominion Bank, and D. C. Rea, supervisor of Ontario branches, Royal Bank of Canada.

Nova Scotia Board Meets at Capital City

By way of emphasizing the fact that they represent a national-wide institution, directors of the Bank of Nova Scotia held their regular quarterly meeting in Ottawa last week. The meeting was held in the office of R. M. Gemmel, chief manager of the bank, in Ottawa.

The Bank of Nova Scotia has a large interest in the Ottawa valley due particularly to the fact that in 1919 it took over the Bank of Ottawa. Two Ottawa citizens, John B. Fraser and Russell Blackburn, are on the directorate. Those attending the meeting last week were: His Honor Lieut. Gov. W. D. Ross, Toronto; W. M. Birks, Montreal; Russell Blackburn, Ottawa; Hon. George Bryson, Fort Coulonge, Que.; A. L. Ellsworth, Toronto; J. B. Fraser, Ottawa; Leighton McCarthy, Toronto; Hector McInnes, Halifax; Alexander Maclaren, Buckingham, and J. A. McLeod, Toronto, general manager for Canada.

EFFICIENCY that actually saves money for you

The Canadian Bank of Commerce was pleased recently to receive a letter from a customer in which he said:

"Your collection service has proved so efficient, so quick in its operations, that our direct borrowings have been reduced. Our savings in interest, as a result, in the course of a year have been substantial."

Efficiency such as this is the aim of The Canadian Bank of Commerce.

On this basis of efficiency, of interested personel, of capable organization, we ask for your account.

You will be welcomed at any one of the 800 branches of

THE CANADIAN BANK OF COMMERCE

Capital Paid Up - - 30 Million Dollars
Reserve Fund - - 30 Million Dollars

CAS 3

PRICES DOMINATE BUSINESS OUTLOOK SAYS BANK LETTER

Nova Scotia Review Also Discusses Position of U. S. A.

Although stating that the dominating factor in the business situation at the present time is the continued fall in prices, the Bank of Nova Scotia in its quarterly survey of business conditions, stresses the point that Canada's principal problems are in no sense exclusively Canadian but are international in character. The review therefore draws certain parallels between general conditions of business in Canada and the United States, and finds that while business has contracted in both countries, conditions in Canada have been less unsatisfactory than those in the United States.

Factory Production Compared

"If allowance is made for seasonal influences," says the review, "since midsummer, 1929, there has been a reduction of the working force in Canadian factories throughout the country, amounting to slightly more than 10 per cent; and a corresponding reduction of the working force in factories of the United States, amounting to 19 per cent.

"If, however, comparisons are on the whole favorable to Canada, we cannot afford to treat them as occasions for satisfaction. As everyone knows, business conditions in the United States have a very powerful influence upon business conditions here. An improvement of our neighbors' business would quickly be reflected in our own. It is to be hoped that such improvement is now not far distant."

As to the price situation, the review states that during the first half of September, hopes were expressed freely, more especially by statistical experts in the United States, that the decline had been arrested. These hopes have now, for the time, been disappointed, and as is well known, further declines have occurred.

Decline is Behind

"Had anyone foreseen, twelve months ago, that so drastic a revision of prices was threatened, the mere prospect of this would have produced an intense pessimism. Looking backwards, we may therefore be tempted to conclude that our ignorance of what was in store for us has not been an unmixed evil. It has enabled us to face the difficulties of the moment, as we might have been unable to do with undivided attention, had our eyes at that time been directed down these gloomy vistas of price deflation.

"The consideration from which we should, surely, now take comfort, is that these declines are behind, and not before us. They have occurred; they have involved widespread and painful readjustments; but although they have caused a great disturbance of business, the difficulties involved in them have been met.

"The continued easing of the great international money markets, though the strength of this force must not be exaggerated, is another factor which will accelerate the beginning of recovery.

"Both in the commodity markets of the world, and in the money markets, the stage is being set for the next act in the drama. Though the curtain has not yet risen, and the setting is thus hidden from the spectators—though patience is still a virtue to be practised—the period of waiting draws toward its end.

Bank Chat

The Bank of Montreal announces the following staff changes: E. GARVIE, formerly manager at Puebla, appointed to the superintendent's dept., Toronto.

JOHN MACRAE, formerly asst. inspector at Mexico, appointed to head office, Montreal.

R. K. G. SANDFORD, formerly superintendent's dept., Toronto, appointed to Lambton Mills, as manager.

D. J. MACLEAN, formerly at Lambton Mills, appointed to King & Yonge sts., Toronto, as manager of Savings Department.

W. PREST, formerly manager at Wetaskiwin, appointed to Prince George, as manager.

F. A. MacCALLUM, formerly manager at Prince George, appointed to Prince Rupert, as manager.

The Bank of Toronto announces the following changes in staff:

JAMES HARDING, formerly accountant at Rosetown, Sask., appointed manager at Corning, Sask.

J. D. HETHERINGTON, appointed manager at Kenville-Durban branch, Man.

H. W. THOMPSON, formerly manager at McCord, Sask., appointed manager at Neidpath, Sask.

G. F. STONEHOUSE, formerly accountant at Stettler, Alta., appointed manager at Clandonald, Alta,

A. A. BELYEA, formerly of Montreal branch, appointed manager at St. Lambert, P.Q.

O. C. CORNWELL, formerly manager at Clandonald, Alta., appointed manager at McCord, Sask.

J. B. SIMPSON, formerly of Western department, Winnipeg, appointed acting manager at Transcona, Man.

R. W. HUTCHISON, formerly accountant at St. Catherine & Guy streets branch, Montreal, appointed manager at Montclair-Sherbrooke branch, Montreal.

H. E. STURGEON, formerly accountant at Yorkton, Sask., appointed manager at Sunnynook, Alta.

Royal Bank changes of recent date include the appointment of A. A. MACINNES, for nine years accountant at the Sarnia branch, as manager at Sandwich. R. E. HOLMES of Kingston will be the new accountant at Sarnia.

The Canadian Bank of Commerce announces the following appointments:

G. C. BORIGHT, manager at St. Catherine and City Hall, Montreal. has been appointed manager at Huntingdon, P.Q., in place of F. I. BATCHELLER.

A. P. TAYLOR, inspector at Montreal, has been appointed manager at St. Catherine and City Hall, Montreal.

August Catch Showed Decline

Fish landed in Nova Scotia during August amounted to 30,092,000 pounds, with a landed value of $562,249, as compared with 33,383,000 pounds valued at $563,051 for August, 1929.

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HIGHEST QUALITY—BEST SERVICE

Ethyl Alcohol—Cologne Spirits, Denatured Alcohol (ALL-FORMULAE)

We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the Trade.

Canadian Industrial Alcohol Co., Limited

MONTREAL CORBYVILLE
TORONTO WINNIPEG VANCOUVER

BIRD'S-EYE VIEW OF WORLD FINANCE

Brief, Intimate Glances at Trend of Things Economic

Prepared weekly by the Bankers' Bond Company, Toronto

Canada

The present recession has lasted over a period of 18 months during which time wholesalers have been hurt not only by the slump in retail sales but also by the policy of retailers to keep their inventories at the lowest base. In many cases this has been reported to vary between 10 and 20 per cent below normal stocks. During this period considerable surplus stocks held by the manufacturers have been disposed of while plants have been generally working at between 25 and 50 per cent below their capacity. Reports emanating from most industries during recent months indicate generally that consumption of goods have often exceeded production. Movements in commodity prices during September by groups of commodities show that textiles, hides and leathers, coal, coke and chemicals and drugs, were upward, while building materials show no quotable change. Under the continuation of these circumstances, viz., low inventories, decreasing production and increasing consumption, a turn in the prices of commodities is inevitable. The purchasing of raw commodities by manufacturers has been long deferred and the policy of hand to mouth has been for long conspicuous. Therefore when consumption will have so exceeded the present low production that retailers' stocks will have decreased substantially below par, a scrum will ensue to buy raw commodities and manufactured goods which will cause a sharp and sudden incline. Moreover, any recovery in the purchasing power of foreign countries will have an immediate and beneficial effect on our industries. The principal conclusion drawn from the conditions related above is, that if we are not actually at the turning point of commodity values, we are at any rate very near to it.

United States

Compared with the previous month the business index on the 1st of October show increases in the following subjects: new financing 40%, stock sales 34%, bond sales 33%, department store trade 27%, coffee prices 23%, exports 12½%, mail order house sales 7½%, bituminous coal production 7%, hide prices 3%, railroad earnings and freight car loadings 2½%, bond prices and chain store sales 1%. Decreases vary from 27% in silk prices to 1% in commodity prices. Compared with the same month last year, commercial failures lead with an increase of 25%, bond prices 7½%, and monetary gold stocks 3%. All other subjects show decreases in this period led by 80% in bills discounted by Federal Reserve Banks, 76% in new financing, 74% in call money rates, 44% in copper prices, 41% in imports, 21% in exports and 2% in chain store sales. Not one industry reported an increase in its payroll since October 1, 1929, while decreases varied from 55% in automobiles, 53% in agricultural implements to 11% in paper and printing and 9% in meat packing. Wholesale distribution show losses of 39% in dry goods, 27% hardware, 16% drugs and 10% in groceries.

United Kingdom

J. M. Keynes, the renowned economist, commenting on the future of the rate of interest, states that "the prospective course of the rate of interest will be steadily downward, and the price of first class bonds steadily upward . . . . At present people lend money at 2% on short term when they could obtain, say 4½% on long term. For a time they will doubtless continue to do so, but a time will come when the steady receipt of so low a rate of interest will seem unsatisfactory. Perhaps something like £1,000,000,000 is being held on short term in the leading financial centres of the world, of which not more than half need be so kept. When even a small portion of this vast body of funds tries to switch over to first class bonds of long date, it will be found that the surplus of such bonds is practically non-existent."

General

The value of rubber has been declining for the past 15 years despite the fact that consumption of rubber has in this period increased more than three fold. During the war prices kept fairly steady. In 1921 owing to considerable over-production this commodity lost over 50% of its market valuation, but recovered in 1925 with the assistance of the Stevenson restriction scheme. Subsequently, due to the failure of the Dutch Rubber Growers to co-operate with the British interests in the Far East, values weakened and continued their descent until today rubber is quoted at about 8c per lb. The price of rubber just immediately before the war was 82c per lb. The average at which it was sold during the war years, 1914-1918, was 67c per lb. With the aftermath of the war, values declined to 34c while the monthly average of the current year has been 11c per lb. World stocks of rubber at the end of August stood at 433,522 tons against 266,873 tons at the end of August last year. There figures, however, do not include stocks afloat elsewhere than to the U. S. A. Total world stocks at present are estimated to be about 480,000 tons, equal to rather more than seven months consumption at the present rate. Various estimates have been provided as to the cost of growing rubber. It is claimed that among the larger plantations the cost varies between 20c and 40c per lb., so it will be readily observed that prevalent values are considerably below costs of production. During the past fortnight, rubber has enjoyed a rally inspired by the more defined statement of the Dutch East Indies Government, which in effect stands for an improvement in the general position of this commodity.

The Australian Government's plan to reduce expenditures will result in economy of £4,000,000 in the matter of civil service salaries alone. Plans for future taxation were revealed by Acting Premier Felton, who stated that "some increases in property and income tax might be necessary," adding that "when men could be put into work, and not out of work, the position in Australia would be righted and the balancing of budgets simplified. Restoration of confidence in the national credit is essential as a means to this end. The necessary remedies might be considered by some as extremely distasteful, but the end must be achieved. Otherwise the unemployed would not only remain unabsorbed but would be considerably increased in number. The government therefore appeals to all sections to face fearlessly and patriotically the problem of reviving trade and relieving unemployment." Official estimates, provided by the Commonwealth statistician, place the present area under wheat in Australia at over 18,000,000 acres while the anticipated yield should be approximately 200,000,000 bushels against 160,000,000 in 1929, and the 5-year average (1923-1928) of 125,000,000 bushels.

A committee appointed for the purpose of investigating all questions of debt claims and counter-claims, both private and public, between Great Britain and Russia recently met in London. No one, however, expects an immediate or total settlement of the amounts due, but it is anticipated that schemes will be put forward for the purpose of long-term refunding guaranteed by the respective governments. Russia has of course, since the first Trade Treaty of 1921, expressed her willingness to recognize her pre-war debts. But she has never previously put forward any scheme for their liquidation; and she has always demanded some guarantee of a new loan before she would discuss the terms and conditions of paying off the old. It is hoped, however, now that a definite form would evolve from the present joint Anglo-Russian Debit Committee. It is estimated that Soviet Russia has accounted for approximately 14% of the world's wheat and flour trade during the months of August and September. The total world shipments since August 1 to 9 amounted to 154,000,000 bushels as against 139,000,000 bushels a year ago.

Political strife continues to prevail in Brazil owing to fractious political bodies endeavoring to gain leadership. Considerable anxiety is being felt in the United Kingdom and United States owing to the large financial interests held in that country. It is estimated that no less than $1,500,000,000 is invested by Britishers and about $500,000,000 by Americans in Brazilian public service and commercial enterprises.

Canadian Bank of Commerce Pays Dividend and Bonus

The board of directors of the Canadian Bank of Commerce at a meeting held last week, declared a dividend of 3 per cent for the three months ending November 30, together with a bonus of one per cent. Dividend and bonus are payable December 1 to shareholders of record of October 31. The bonus has been paid regularly since 1920.

Weekly Bank Clearings

Eastern Cities	Oct. 17, 1929	Oct. 16, 1930
Halifax	$ 2,999,151	$ 4,218,242
Moncton	1,117,643	986,433
Sherbrooke	1,133,710	936,834
Quebec	8,003,209	7,013,789
Montreal	169,527,067	151,034,473
Ottawa	8,296,963	7,961,193
Kingston	901,100	862,465
Peterboro'	972,746	940,177
Toronto	134,888,303	127,448,424
Hamilton	6,936,297	6,053,199
Kitchener	1,517,814	1,447,764
Brantford	1,435,860	1,148,180
London	3,487,899	3,235,844
Chatham	701,221	615,279
Windsor	5,548,713	2,888,284
Sarnia	982,637	637,134
Sudbury	....	1,251,538
Western Cities	**Oct. 17, 1929**	**Oct. 16, 1930**
Fort William	$ 1,285,660	$ 854,675
Winnipeg	87,933,013	62,282,356
Brandon	880,634	616,777
Moose Jaw	1,559,901	1,012,810
Saskatoon	4,455,992	2,569,675
Prince Albert	714,127	405,658
Calgary	15,773,623	8,945,499
Medicine Hat	751,500	358,512
Vancouver	24,865,537	17,754,072
Victoria	3,122,159	2,629,686
Regina	....	10,197,727
Lethbridge	1,146,789	588,710
New Westminster	1,002,886	767,169

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IMPERIAL BANK OF CANADA
HEAD OFFICE - TORONTO
Capital and Reserve $15,000,000

Frank A. Rolph, President Sir James Woods, Vice-President
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HOWEY MEETING SKETCHES NEED FOR NEW CASH

Low Grade Mill Heads Explained by Intense Exploration

MAY INCREASE MILL

Ore Reserves Not Defined; Lower Costs Seen as Probable With 1,000 Ton Mill

At a well attended meeting of Howey Gold Mines shareholders held October 20, H. G. Young, mine manager, said future mining operations would be directed at adjusting stoping widths to a better grade of ore.

The discrepancy between the grade of ore treated and that obtained by resampling the upper four levels in 1929, when a grade of $6.67 per ton was announced over a width of 16 ft. for a length of 1,485 ft., was explained as being due to exploring the possibilities of the sill, which has constituted 85 per cent of the mill feed. This silling out represents 50 per cent of the ore developed in the mine. It was admitted that the silling out had been carried too far with consequent too much dilution, but it was pointed out that to determine the ore bearing possibilities of this sill complete exploration was necessary.

Would Enrich Mill Heads

Regarding the ore reserves of 1,500,000 tons, shown in the report, Mr. Young said that it was too early to estimate the grade.

Special attention is now to be given to increasing the grade of ore treated. Stoping is to be restricted to narrower widths and hand sorting is to be further experimented with in an effort to bring the mill heads up to about $5 per ton. Some time must elapse before results of the changed mining methods will be known, and in the meantime consideration is being given to increasing the mill capacity to 1,000 tons daily

The present plant was designed in such a manner that with an expense estimated at $75,000, it could be increased to 1,000 tons capacity and it is believed by Mr. Young that by treating this tonnage, costs could be very materially reduced, but he would not hazard a guess as to what they might be.

September Output Lower

Production during September amounted to 13,260 tons or an average of 450 tons daily, compared with 330 tons daily in August. The grade of ore treated averaged $4.60 per ton from which an extraction of $4.35 per ton was made. Costs for the month were not available.

The statement that 50,000 shares of treasury stock had been issued to the Huronian Mining & Finance for making the report, drew forth some unfavorable comment from a shareholder, but in view of the service rendered was accepted by the majority of the shareholders as being an equitable remuneration.

J. E. Hammell, ex-president of Howey, expressed satisfaction with the present operations of the property and said he was still the biggest shareholder, holding 50,000 shares. He outlined his battle with the brokers who had sold Howey short, saying it was his idea to sell the 200,000 shares remaining in the treasury to them at about $5 per share, and thus provide the necessary finances to carry the property to production. The government's action in arresting the brokers spoilt the play, he said.

Need $200,000

R. T. Birks, president of the company, in discussing the finances, said that originally $500,000 had been borrowed from W. S. Cherry, vice-president of the company, at 7 per cent interest, and that a bonus of 69,390 treasury notes had been given in consideration of the loan. Subsequently, $150,000 of this loan was retired by an issue of 100,000 treasury shares, but later further advances were made, and now the outstanding loans amount to about $512,000, including one from the Canadian Bank of Commerce of $35.000, none of which were pressing. The immediate concern of the officials is to provide an additional $200,000 in order that supplies for six months operation may be taken in over the winter roads.

The present directors were reelected for the ensuing year.

SEVEN TROUGHS SHOWS PROFIT IN FIRST PERIOD

Production to Date is Confined to One Vein

An operating profit of $48,409, for the initial three months of production is reported by the Seven Troughs Gold Mines, which numbers many Canadians among its shareholders.

Details of the income account for the three months ended Sept. 30, 1930, are as follows:

Proceeds from bullion ....$	101,331
Miscellaneous income	1,317
Gross income	102,648
Less: Mining	28,252
Milling	9,146
Develop. and gen. oper.	6,754
Adminis. expense	10,087
Operating profit†	48,409

†Subject to depreciation and depletion.

The company commenced operation of the new mill on August 1, 1930.

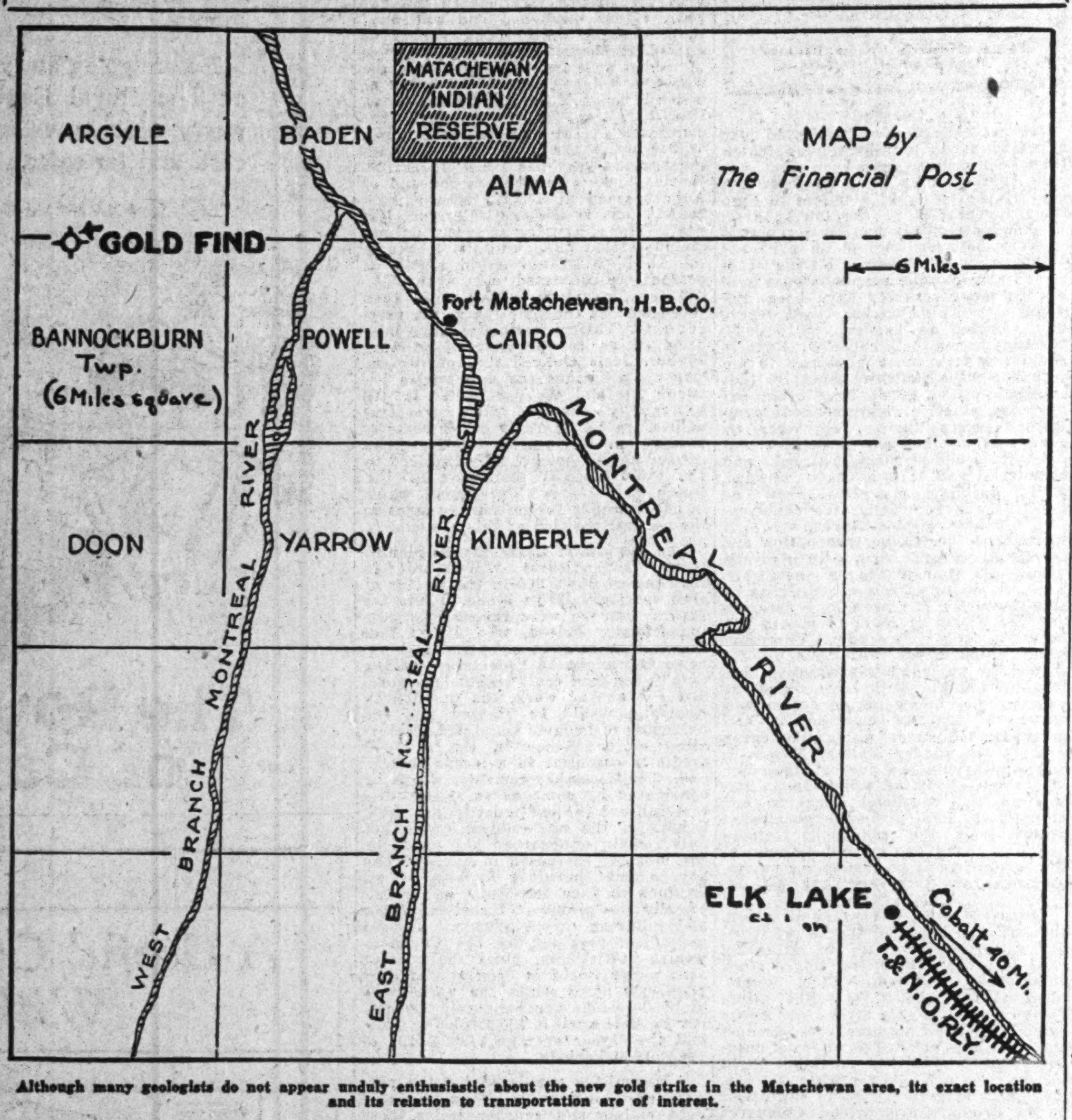
The report states that since production operations started no attempt has been made to get ore except in the 5100 vein which has yielded the entire production and has promise for the future. Development in other parts of the mine has been directed at reaching other known existing ore bodies. Diamond drilling is to be carried out to locate the faulted zones of the old coalation vein system.

The present company is a reorganization of a number of former producers that operated in the area many years ago. Work has been directed at driving a long deep tunnel to tap the old working at depth. Owing to the success which was met, a modern 200 ton daily capacity cyanide mill was erected on the property and placed into operation in July this year.

The balance sheet of the company as at September 30, showed current assets of $71,951 as against current liabilities of $31,907. There is a bonded indebtedness on the property amounting to $225,000.

Canadian Mining News

Map Shows Location of New Ontario Gold Strike



Although many geologists do not appear unduly enthusiastic about the new gold strike in the Matachewan area, its exact location and its relation to transportation are of interest.

MATACHEWAN GOLD FIND STARTS RUSH

Old Area in Northern Ontario Gets New Lease of Life

MINING CORP. FIRST

Government Geologist Flies in and Will Report Possibilities—25 Miles From Cobalt

The Matachewan area in Northern Ontario is the scene of the biggest gold rush since the Red Lake area attracted attention.

The rush started early this month when two prospectors, Bert Ashley and Bill Garvey, operating for a syndicate financed by the Mining Corp. of Canada, staked 18 claims in the northern section of Bannockburn township, about ten or twelve miles due west of Fort Matachewan, a Hudson Bay post on the Montreal River. The area is reached from Elk Lake, the terminus of the Elk Lake branch of the T. & N. O. Railway, thence down the Montreal River to Fort Matachewan, a distance of about 25 miles.

Details Not Available

Details of the find are not yet available, but it is reported that the discovery vein has been bared for a distance of about 400 ft., the width varying up to seven or eight feet with all well mineralized in gold and tellurides.

Northern Aerial Minerals Exploration Co. sent a plane in from its base at Sioux Lookout with a party of four, Ventures Ltd., through its subsidiary, Dominion Explorers, also Nipissing and other mining companies have parties in the area.

The Matachewan gold area centres about Fort Matachewan and is not new to prospecting. In the fall of 1916 a discovery of gold was made on the Davidson claim in Powell township which adjoins Bannockburn, on the east. Prospecting, however has been carried on in the area from time to time since 1906.

Area Known Since 1875

Reference to the area is made as early as 1875 when the Canadian geological survey parties made an exploration of the route from Lake Huron to James Bay. Following the Davidson discovery in 1916 the immediate area was quite completely staked but no producers resulted. The new find, however, is reported to be in an area never before filed on and lies just west of the recognized Matachewan gold area.

In 1917 A. G. Burrows, present geologist, made an examination and reported on the area.

The Ontario department of mines has sent one of its geologists, H. C. Rickaby, into the area by aeroplane and until his return and report to the department, the importance of the find is one of conjecture. Eminent engineers and geologists look upon the find as interesting and warranting further exploration, but not one that would prompt the present stampede to the area.

No Unusual Restrictions

The government requires that 30 days of assessment work be done on claims within the first three months, dating from October 15, but regulations recognize the period from November 15 to April 15 as unseasonable for assessment work so that any claims staked now would not be required to have assessment work completed until June 15, 1931.

There is misunderstanding regarding the legality of restaking claims. It was contended that assessment work on the previous stakings had not been completed owing to restrictions, since the area is in a forest reserve. Investigation at the mines department of the Ontario government gives assurance that no restriction has been put on assessment work where there was a showing of importance.

Inasmuch as the area is in a forest reserve, precautions must be taken to protect against fires or other damage, and permits are given to do assessment work, but development of finds has never been restricted.

Manitoba's Telephones Expanding

The Manitoba Government's telephone report shows 652 more telephones in the province on June 30, 1930, as compared with the same date of 1929 The number of employees jumped from 1,191 to 1,253, or an increase of 62, in the same time. The gross revenue of the seven months ending June 30 is $19,980 higher than last year.

Falconbridge Smelt_r Suspends Temporarily

Sixty Days Layoff Planned to Permit Refinery Clean Up of Surplus Matte—Quarterly Report Shows Steady Production

Production operations at Falconbridge Nickel Mines are to be suspended for 60 days, owing to the accumulation of surplus nickel-copper matte at the refinery in Kristiansand, Norway, which is to continue operations.

The directors state that the decision temporarily to suspend smelter operations will not affect the output of refined metal for the period or earnings of company. The surplus matte accumulated was due to two causes, they state, the first being that the smelter capacity exceeded expectations and the second was that the enlargement of the refinery has taken longer than anticipated and has not yet been completed.

The matte on hand at the refinery and in transit is estimated at over 1,000 metric tons.

The directors say, despite the general metal market depression, that their selling agents have succeeded in selling over 400 tons of refined nickel, made from customs matte shipped by Norwegian producers.

Nickel from Falconbridge matte has not yet reached the market but will be available from now on.

Copper production from the refinery is reported to have been sold.

The smelter at Falconbridge is producing nickel in matte at the rate of about six tons daily, while the capacity of the refinery when the enlargement is completed, will be about eight tons of nickel daily. According to the agreement with the Norwegian producers a refinery capacity of two tons daily is earmarked to take care of their production.

Inasmuch as the refinery is not yet ready to handle eight tons daily the only feasible solution was curtailing Canadian production of matte.

A quarterly report has just been issued by the company for the period ended September 30, which shows that the smelter treated 22,195 tons of ore, from which was produced 1,775,537 tons of matte containing 1,040,697 pounds of nickel and 459,787 pounds of copper.

This production compares with an output of 1,089,715 pounds of nickel and 477,150 pounds of copper in the previous quarter ending June 30. The official statement says that the storms of June had their effect in power stoppage until July 15 so that operations of this quarter were short two weeks. The refinery in Norway produced 593,624 pounds of fine nickel and 228,229 pounds of fine copper during the period, current sales still being for account of Norwegian custom business. Falconbridge nickel had not yet reached the market. In the previous quarter, production of nickel from the Norway refinery was 476,315 pounds.

During the quarter the 225 ft. level was extended west 57 feet, giving a total length of ore on this level of 756 feet. The 350 ft. level was opened up 261 feet west for a total length of 370 feet and 286 feet east for a total length of 378 feet and boxholing for production is under way. A raise from the 350 ft. to the 225 ft. level was taken up during the period and found ore conditions to be more or less as expected. No work was done on the 1,000 ft. horizon.

At the end of September broken ore on hand and in stopes at the mine was increased to a total of 58,296 tons, the equivalent of six months' smelter supply.

Keeley Silver Production Gained in Third Quarter

Keeley Silver Mines produced 334,400 ounces of silver and 10,227 pounds of cobalt during the quarter ended September 30, 1930. According to the official report, a small profit was realized but no discoveries of major importance were made.

Production for the third quarter showed a good increase over the 258,890 ounces of silver mined in the first quarter and 272,963 ounces in the second quarter of the current year. Cobalt output however was below the figures of the first and second quarter which were 14,349 pounds and 25,563 pounds respectively.

Trail Smelter Receipts

Following is a statement of Ore received at the Trail Smelter for the period October 8th to October 14th, 1930, inclusive:

Name of Mine	Locality	Tons
Bell	Beaverdell	36
Goodenough,	Emir	48
Union	Lynch Creek	30
		114
Company Mines		7392
Total		7506

Mining Inquiries

Waite-Highwood Oils

What is your opinion of Waite-Highwood Oils Ltd? Where does the company operate and what are its holdings?

Waite-Highwood Oils, Ltd., holds 340 acres in Alberta; 240 acres are located in the Waite-Highwood field, 40 acres in the Moose Dome area and 80 acres south of the Sarcee Indian Reserve. None of these areas are proven commercial producers and can only be regarded as wild cat areas.

The company will have to meet with more success than it has in the past, if it is going to return anything to the shareholders. We do not regard the outlook for the company as favorable and would recommend that investment in it be avoided.

Babine Metals

I have been considering the purchase of stock of Babine Metals Ltd., and would like your advice as to this company as an investment. What are its prospects?

Babine Metals Ltd. is developing a silver-lead-zinc prospect in British Columbia known as the Cronin Mine. Irrespective of the merits of the property the condition of the base metal and silver markets is such that we would not recommend the purchase of stock in companies developing properties of this nature. This company as a prospect shows some promise, but until considerably more work is done and finances are assured, we would not recommend purchase of the stock.

Stadacona-Rouyn

I should like any information you may have on Stadacona Rouyn Mines, Ltd., its present status and future prospects.

Stadacona Royn Mines Ltd. was incorporated in 1925 and was one of the first to carry out exploration work in the Rouyn area. It has been actively engaged in developing its Pelletier Lake property, until early this year when operations were suspended owing to lack of finances. Our understanding is that its property is being kept dewatered and that operations are to be resumed as soon as finances are available.

The company's developments at its Pelletier Lake property seemed to be encouraging, but results to date are inconclusive and we do not regard the stock of the company favorably as an investment, and the probabilities are that it will have to be refinanced before further exploration work can be done.

Sherritt-Gordon

This spring I bought a considerable amount of Sherritt-Gordon at approximately $2.50 a share. Currently this stock is quoted at $1.35 a share with no immediate chance of advancement in view of prevailing market conditions. Would you advise me to hold on to the stock in expectation of its advancement in the far future, or would you advise me to take my loss in expectation of further recession?

As a reader of The Financial Post, you will have noted that in months past we have questioned how profitable the operation of Sherritt-Gordon would be with declining metal prices. The outlook for the company is not bright, although we hesitate to suggest that you sell the stock at a time which appears to us as being about the bottom levels.

Unless you are pressed for funds, we would not be disposed to dump the stock in the present market, although we can see no improvement in store in the immediate future. If you purchased the stock as an investment and are prepared to hold it for several years, we believe that you may realize higher prices. It is distinctly a long hold proposition. We have always regarded this company's efforts as being exceedingly speculative and no one knows what profits or cost will be.

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W. J. BLACK, Director, Montreal
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.... and others interested in the industry, we extend a cordial invitation to avail themselves of the extensive sources of information to be found in the library and records of the Department of Natural Resources Development.
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May we have the pleasure of a call from you?
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DISTRICT OFFICES:
C. Price-Green, Commissioner, Eastern District, 360 McGill St., Montreal, Que.
F. V. Seibert, Superintendent, Manitoba, Saskatchewan, and Alberta, Canadian National Railways, Winnipeg, Man.
R. C. W. Lett, Superintendent, British Columbia, 1109 Vancouver Blk., Vancouver, B.C.

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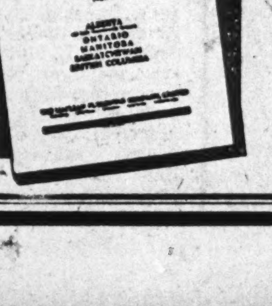
An Oil Book for Investors
Those interested in the profits to be made investing in oil stocks can secure all the information obtainable about each company—the directors and officers; the geological structure; description of the property; extent of development work; production; earning record; royalty obligations and drilling contracts; stock market record, etc., from the latest Financial Post Survey of Canadian Oils.
This book is the only authority on the subject. It gives a complete picture of over 1,300 oil companies incorporated to operate on prospect, as well as the history of oil development in the Dominion, maps showing oil areas, and location of wells, etc. With it beside you, you can take a large part of the gamble out of investing money in oil stocks.



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WESTERN POOL MAY SEEK TO PEG PRICE OF WHEAT

Drastic Action to be Urged if Bennett's Mission Unsuccessful

COMPULSORY SELLING

Grower Control Plan Also Suggested by Saskatchewan—Other Provinces Demur

From Our Own Correspondent

SASKATOON.—In case Premier Bennett returns from the Imperial Conference without having accomplished anything definite in connection with bettering the volume of grain sales in Great Britain, or any improvement in the price of wheat, it is the intention of the United Farmers to ask the Federal Government to take some drastic action in connection with the marketing of grain. G. H. Williams, president of the United Farmers of Canada, it is learned, has in mind asking the Federal Government to peg the price of wheat by fixing a minimum price, and at the same time to undertake compulsory pool marketing of wheat under some form that would involve a measure of grower control. In addition they are to be asked to undertake a form of crop insurance either by setting up a federal scheme, or by guaranteeing some amount to the provincial governments for such a purpose. The United Farmers are inviting the United Farmers of Manitoba and the United Farmers of Saskatchewan to join with them in making representations to the Dominion Government.

Officers of the United Farmers of Saskatchewan state their belief that the Federal Government is prepared to take some very radical course with the object of stabilizing agriculture, and they indicate a belief that such a demand as this would not be refused.

From Our Own Correspondent

REGINA.—The proposal emanating from the office of the United Farmers of Saskatchewan for a demand on the Dominion Government to peg the price of wheat, and to introduce compulsory centralized marketing is not taken very seriously in the capital city of the province. It is recalled that the United Farmers have been the organization which has continuously called for compulsory pool marketing of all grain in the province, and that proposal is now considered to be dead, in spite of the fact that the ballot recently taken of wheat pool members gave a considerable majority in favor of the plan. But the great majority of pool members either did not vote or voted against the plan. Although Premier Anderson indicated an intention to take a general referendum in the province on the subject, it is not believed the matter will go that far.

The government are too much concerned at present with the probable and possible extent of their commitments in connection with the wheat pool guarantees undertaken last February to take any further action until they know just how they stand. While neither at the legislative buildings nor at the Wheat Pool office can any admission be obtained either that the government is heavily involved, or that there will be any losses to be met, the whole matter is under frequent discussion in inside circles.

From Our Own Correspondent

EDMONTON.—Saskatoon reports that the United Farmers of Canada purpose asking the government to peg the price of wheat and to undertake compulsory centralized marketing. The report reached here while representatives of the three provincial wheat pools are in conference, and no public intimation has yet been made of the attitude of either the U.F.A. or of the Alberta Pool. But unless H. W. Wood, president of both these organizations, goes back on the statements he has frequently made, there is no chance of the proposal receiving any official support from this province.

Mr. Wood and the Alberta Pool stand firmly against compulsion, and moreover believe that their organization can survive, while the recent suggestion emanating from Saskatchewan means in effect the end of the pools, to be replaced by some new organization forced on the farmers by the government.

Would Upset Relations

If Saskatchewan pool directors, now in the city, give support to the idea it is going to increase the difficulty in preserving harmonious relations between the three provincial organizations included in the central selling agency. Withdrawal of Alberta, in order to get its own organization in working order before the central organization can become disrupted through the establishment of some form of compulsion in Saskatchewan has already been a matter of general discussion in this province.

Farmers organizations here seem to take the view that in the other provinces faith in the pools has been lost, as indicated by Manitoba's actions against its members by way of injunctions, and the repeated demands in Saskatchewan for compulsion to replace voluntary pooling. But Alberta, having lightened its load by dropping the pooling of coarse grains, and with something less of a debt in prospect as the result of overpayments on the crop of 1929 than the pools in the other provinces, expects to be able to carry on, and is prepared to try it alone if necessary.

From Our Own Correspondent

WINNIPEG.—The United Farmers of Manitoba make no comment on the suggestion for a pegged wheat price and compulsory pool marketing under Dominion legislation, as suggested by the United Farmers of Saskatchewan, except to state that a communication has been received and will be considered at their next board meeting.

Galt Firm Undertakes Extensions to Plant

Newlands & Co., Galt, Ont., will shortly announce substantial additions to be made to the worsted spinning plant which will call for new buildings, and new machinery. It is anticipated that the new machinery will be in operation within five or six weeks.

The installation of this plant is stated to be a direct result of the new Canadian tariff on weaving yarns. The spinning frames being installed are of modern design and will be used in producing the finer counts of yarn used in weaving worsted cloths.

Nipissing Output Remains Steady Despite Markets

During the three months ended Sept. 30, 1930, Nipissing Mining Co. mined ore of an estimated value of $144,072 and shipped silver bullion, residue and cobalt ore of an estimated net value of $205,410. The price of silver for the period averaged 35¼ cents per oz., or four cents lower than during the first six months of the current year. The low grade mill treated 9,640 tons of ore and the high grade plant treated 177 tons. The refinery shipped 505,352 oz. of silver during the period.

The company reports that there were no underground developments of importance, production being obtained from a number of low grade stopes, some of which occasionally produced small amounts of high grade ore.

On the company's Nisto group of claims in Saskatchewan, diamond drilling was completed in July. The last hole was cut in the deposit at a depth of 550 ft., where it shows 42 ft. of heavy sulphides assaying low in gold and copper. No further work is contemplated in the near future.

Accompanying the quarterly dividend cheques amounting to 7½ cents per share was a brief statement that the company's total liquid assets on September 27, were $3,059,433 made up of $2,8099,898 in cash in bank, government and railway bonds and other investments, together with $250,035 in ore on hand and bullion ready to ship.

TWO CONVICTED, STILL MUST TRY ELEVEN OTHERS

Young, Smart Found Guilty on Two Counts in Ontario Court

A jury in the assize court in Toronto before Justice Jeffrey has found Maurice E. Young and William J. Smart, partners in the mining brokerage company of Homer L. Gibson & Co., guilty of conspiracy to defraud the public, and of gaming in stocks, or "bucketing."

The jury disagreed on the second count of the indictment, which accused the defendants of conspiracy to affect the market price of stocks.

Thirteen brokers were arrested in Ontario in the early months of the present year following articles in The Financial Post dealing with the methods of many mining brokers in dealing with their clients, particularly clients carrying stocks on margin and it was contended that the rules, or lack of them, on the Standard Stock & Mining Exchange, were not fair to the public speculating in mining stocks. Since then, the Standard Stock & Mining Exchange apparently has made some progress in cleaning house.

The charges on which the prisoners were found guilty are:

"Did in the years 1928, 1929 and 1930 unlawfully conspire together and with one another and with other persons whose names are to the jurors unknown, by deceit or falsehood or other fraudulent means, to defraud persons who were or might become customers of the firm of Homer L. Gibson & Co., Limited.

"Did in the years 1928, 1929 and 1930, with the intent to make gain or profit by the rise or fall in prices of stocks of incorporated companies, make or sign or authorize to be made or signed contracts or agreements, oral or written, purporting to be for the sale or purchase of such shares or stock in respect of which no delivery of the shares of stock sold or purchased was made or received and without a bona fide intention to make or receive such delivery, contrary to Section 231 (1) (b) of the Criminal Code."

The charge on which the jury disagreed is:

"Did in the years 1928, 1929 and 1930 unlawfully conspire together and with one another and with other persons whose names are to the jurors unknown, by deceit or falsehood or other fraudulent means, to affect the market prices of stocks and shares publicly sold, contrary to Section 144 of the Criminal Code."

CLARK, MARTIN & CO. MAKE ASSIGNMENT

Firm Not to be Confused With Winnipeg Firm of Similar Name

Voluntary assignment by Clark, Martin & Co., Limited, stock brokers, of Winnipeg, with branch offices throughout Western Canada has been announced by William Martin Jr., president and general manager. The firm is confident that creditors will be paid 100 cents on the dollar, according to Mr. Martin.

This firm must not be confused with the firm of Clark & Martin, Grain Exchange Building, Winnipeg, grain, stock and bond brokers. This latter firm, according to A. P. White, managing partner, has liquid assets of close of $500,000.

The assigning firm traded largely through Montreal, New York and Toronto markets sincs its establishment twelve years ago. Hope is expressed by the company's officers that it may be possible shortly to reorganize the company's business. No information is obtainable as yet as to the firm's liabilities, but an audit has been commenced by Hare, Burch & Co., acting for the liquidators, Northern Trust Co.

Elect J. H. Gundy Director Western Canada Flour Mills

J. H. Gundy, Toronto, was added to the board of directors of Western Canada Flour Mills Co. at the annual meeting held on October 16. Shareholders at this meeting ratified the acquisition of all the capital of Purity Flour Mills, Ltd., and Purity Baking Co. Ratification was purely a matter of form and was asked in order that any doubt might be removed as to the basis on which the stock was held.

Acquisition of Dominion Salt was also ratified. This company was recently acquired through purchase of all outstanding common stock.

Directors of the company are now as follows:

D. B. Hanna, president, A. J. Mitchell, vice-president; J. J. Page, general manager; R. G. O. Thomson, secretary; Sir John Aird, Sir Hormisdas Laporte, K.B., P.C., Senator G. H. Barnard, K.C., R. H. B. Ker, John Davidson, J. H. Gundy.

METAL PRICES

New York—Oct. 21:
Copper, electrolytic spot, 10c. lb.
London—Oct. 21:
(Long tons)—
Copper, electrolytic spot, £46 5s.; future £47 5s. Standard spot, £43 7s. 6d.; future £43 7s. 6d.
Tin, spot, £118 7s. 6d.; future £120.
Lead, spot, £15 17s. 6d.; future £15 12s. 6d.
Zinc, spot, £14 15s.; future £15 5s.
Silver, 16⅝d. per ounce.

DOME MINES NOW TUNING UP ITS NEW MILL

Temporary Operating Loss Seen as Insignificant to Real Picture

The financial statement of Dome Mines accompanying the quarterly dividend cheques amounting to 25 cents per share, shows a net loss of $3,515 for the first nine months operations ended Sept. 30, 1930.

Recoveries from ore in process at date of fire, also high-grade, amount to $377,875, against which there is operating and general costs of $635,421, leaving an operating loss of $257,544. Non-operating revenue amounted to $254,030, leaving the net loss of $3,515.

Since the company's mill was destroyed by fire on Oct. 28, 1929, there has been no production except that gained from the clean-up following the fire.

Mill Nearly Ready

Dome's new mill is practically completed, already part of the machinery has been turned over, and full production is planned by the end of this month.

Plans for the new mill were announced in April and construction started at once. The new plant is the same size as the one destroyed, namely, 1,500 tons daily capacity.

Although there has been no production revenue, dividends have continued without interruption, at the rate of $1 annually. Dome enjoys a very strong financial position, at the end of the last fiscal year ended December 31, current assets exceeded current liabilities by $6,689,939. This amount has been reduced by about $750,000 occasioned by dividend disbursements and the operating loss referred to above. In addition, there has been the expenditure for the construction of the new mill covered to a large extent by the insurance adjustment.

While Dome's cash position has been lessened, its strong financial position has not been materially impaired by the suspension of operations or by the construction programme.

Thinks Ore Reserves Higher

At the end of the last fiscal year ore reserves were given as 1,300,000 tons, including 740,000 tons of broken ore. In April of this year at the annual meeting it was stated that this amount had been increased by 275,000 tons and since development work has been carried on more or less continuously, it is probable that these latter figures have been substantially increased.

Earnings for the last fiscal year, including production earnings for ten months, amounted to $1,778,251, equivalent to $1.86 per share. Operating earning during the ten months production was at the rate of about $1,800,000 per annum; so the shutdown has meant a temporary loss of revenue to this extent. The true loss is really only the interest on this amount, as the life of the property has been extended by the duration of the shut down.

FUTURE OF ABANA DEPENDS ON FINANCES

Default of Broker Makes Position Precarious

Shareholders of Abana Mines are in receipt of a report for the year ended December 31, 1929, together with a supplimentary report covering the period from January 1, to June 30, 1930. Notice is also given of the annual meeting called for October 28, at the Mount Royal Hotel, in Montreal, in order that shareholders may be brought together to discuss ways and means to alleviate the company's financial entanglements.

The financial statement for the year ended sheds little light on the company's present position, but the directors' report over the signature of F. A. Kent, president of the company, says that F. G. Oke, who underwrote 500,000 shares of the company last December, defaulted last June, making necessary further financing. On July 1, 1930, Mr. Kent says, a final payment of $40,000 was due on the property to the original vendors and the money to make this payment had to be obtained at once.

F. M. Connell and J. H. C. Waite, two of the largest shareholders of the company agreed to advance the required sum; however, an extension of time was obtained and later the directors arranged with Mining Corp. of Canada to pay the vendors the amount due, assume the vendors' position and defer the date of payment for one year. Mining Corp. assumed direction of the development work and supplied further finances until early in October when operations were temporarily suspended pending the meeting of the shareholders.

H. E. Clement, general manager of Abana, outlines in the report the result of the development work which has been carried on to a depth of 550 ft. and explored by diamond drilling to a maximum depth of 1,250 ft. resulting in the following ore reserves:

	Tons	Gold oz.	Silver oz.	Copper %	Zinc %
Devel. & part. devel. copper ore	190,100	.04	4.80	5.05	8.8
Copper ore ind. by drilling	209,400	.06	3.49	4.57	5.9
Devel. & part. devel. zinc ore	275,400	.04	5.15	1.16	17.1
Zinc ore ind. by drilling	251,300	.02	3.18	.59	19.1

Also 4,300 tons of copper dump ore and 7,400 tons of zinc dump ore, bringing the company's total ore reserve to 937,900 tons.

In April this year construction work was recommenced on the 250 ton daily capacity flotation mill, also the power line to the property from the LaSarre Power Co. was completed. Mill construction was suspended when Mining Corp. became interested in the property as it was felt that it was not desirable to make further expenditures when metal prices precluded its being put into operation.

New Tube Mill Follows Changes in Brass Tariff

Announcement is made that Anaconda American Brass Limited, has decided to extend construction work, already under way on a large scale at New Toronto, to incorporate facilities for a complete line of non-ferrous seamless tubes which for a number of years past have not been manufactured in Canada.

Building work at the New Toronto plant, which includes doubling the present capacity of the sheet mill, is progressing rapidly, and it is expected that the new department will be in production early in 1931. The new tube mill will have a capacity considerably in excess of the present Canadian consumption, or sufficient perhaps to take care of the normal growth for the next fifteen years. It is estimated this department will provide work for 100 additional employees.

Apart from a demand from Canadian consumers that a tube mill be erected, encouragement has been derived from the fiscal policy of the Dominion Government.

Plans will be prepared and a building permit taken out promptly, and no time lost in breaking ground.

Standard Paving Earns Dividend in Six Months

In connection with the declaration of the regular dividends on the preferred and common stocks of Standard Paving & Materials, The Financial Post is informed by a director that the entire dividend for the year was earned in the first six months of the year. The first half of the year is always the greatest earning period of the company, but nevertheless the result is found very encouraging by the company. The year will be fully equal to last year.

The company's year ends March 31, and the last six months include the winter months of December, January, February and March which have to be written off as blank so far as profits is concerned from the plans of a paving company. The company looks forward to a good year next year as well.

POOR MARKETS STOP PRODUCTION BY BASE METALS

Will Continue Development Work Pending Better Prices

Base Metals Mining Corp. has been forced to suspend operations at its property near Field, B.C., after an initial production period of about a year, due to current lead and zinc prices. The report from the company states that the mill will remain closed until there is an improvement in the metal market, but that development work will be pushed in all faces with three working shifts, daily.

While the suspension of production operations at the Maintains Reserves property comes as no great surprise, it is believed that the company was in one of the best positions to weather the depression of all the smaller lead-zinc producers. The company has been making higher lead and zinc concentrates than any other producer on the continent and has been obtaining a very high recovery, but it was not regarded as being desirable to deplete its ore reserves without showing a profit, and suspension was the only alternative.

Recent development work has disclosed better ore than is shown in the reserves, but milling of this grade was not practicable while carrying out development work. During the period of suspension the property will be opened up in such a manner that when production again starts, full advantage can be taken of the new ore developments.

On March 1, 1930, ore reserves were estimated at 400,000 tons averaging 15 per cent lead, 12 per cent zinc and 2 oz. of silver per ton.

Official operating report of the company states that the operating profit for the month of June, 1930, amounted to $17,290—while costs were below $3 per ton.

The 300-ton concentrator handled 7,873 tons of ore during the month, despite a two-day shut-down occasioned by holidays.

The average grade was 8.3 per cent, lead, 12.7 per cent zinc and 3 ounces of silver to the ton. Loss in tailings was 0.5 per cent lead and 1.9 per cent zinc, including a recovery of 94 per cent of the lead content and 86 per cent of the zinc content. Net returns were 2.3 cents per pound of lead and 1.5 cents per pound of lead.

The gross income at the above low prices, amounted to $39,643 with operating expenses amounting to $22,353—leaving an operating profit of $17,290.

Mining Corp. of Canada, owns 700,000 shares of the 2,000,005 no par value shares issued.

BARRY-HOLLINGER'S LOWER LEVELS BEST

Development in 1930 Has Exposed Good Ore

An operating report for the nine months' period ended September 30, forwarded to shareholders of Barry-Hollinger Gold Mines, shows a recovery of $157,722 from 23,839 tons of ore treated.

This is an average recovery of $6.62 per ton from treating an average of 88 tons daily, as compared with an average recovery of $6.79 from treating an average of 62 tons daily during 1929.

No income account is available, but James Houston, mine superintendent, states that bullion produced during the past 12 months has paid operating expenses including new mill equipment. No reference is made to head office, depreciation or other expenses.

Push Development

During the past nine months a two compartment incline winze was sunk from the 1,625 ft. level to a depth of 1,750 ft. where a station was cut. The report says the 1,625 ft. level has opened the best section of ore so far encountered in the mine. The number seven vein was drifted on for 355 ft. on the 1,625 ft. level, of which 160 ft. was through the main ore shoot. On the 1,750 ft. level two ore shoots one 40 ft. long and one 50 ft. long, together with two shorter lenses have been opened up.

Future development is to be directed at sinking a three compartment winze to the 2,000 ft. horizon and establishing new levels at 1,875 and 2,000 ft. depth.

Ore reserves above the 1,625 ft. level are estimated at 18,000 tons and are being added to as raises are put through from the 1,750 ft. to the level above. The average grade of ore is not mentioned.

H. C. Crow, president of the company, says that 1930 promises to be the best year the company has enjoyed. About 700,000 shares remain in the company's treasury which Mr. Crow says should provide ample funds to carry out the proposed development campaign.

Hon. C. A. Dunning Elected Executive Lucerne-in-Quebec

From Our Own Correspondent

MONTREAL.—Hon. C. A. Dunning, formerly minister of finance in the federal government, has accepted the position of vice-president and general manager of Lucerne-in-Quebec. The appointment was made public by E. W. Beatty, president of the company.

The Lucerne-in-Quebec organization some time ago took over the Papineau estate which lies on the Ottawa River about half way between Montreal and Ottawa. The estate comprises about 80,000 acres of Laurentian mountain country.

A large hotel of the log chalet type hs been erected and was well patronized during the past summer season. Winter sporting facilities will also be provided.

CANADA ELECTRIC PLANS EXPANSION AT MACCAN PLANT

Will Double Capacity at Estimated Cost of $350,000

From Our Own Correspondent

MONTREAL. — Canada Electric Co., a subsidiary of Central States Power & Light Corp., which is part of Utilities Power & Light system, will install a new unit in its power plant at Maccan, involving the expenditure of about $350,000.

The new unit will double the present capacity of the plant and not only care for all present demands but will anticipate increased needs in the future. It will not be necessary to increase the size of the plant as provisions for additional units were made when the structure was built. Work on the new unit will begin at once.

Canada Electric Co. supplies light and power to Amherst, N.S., and vicinity, and through a subsidiary, Eastern Electric and Development Co., supplies electricity to the town of Sackville, N.B.

Sold Early in Year

Canada Electric formerly was controlled by Maritime Coal, Railway and Power Co. but early in 1930 both companies were acquired by U. S. interests.

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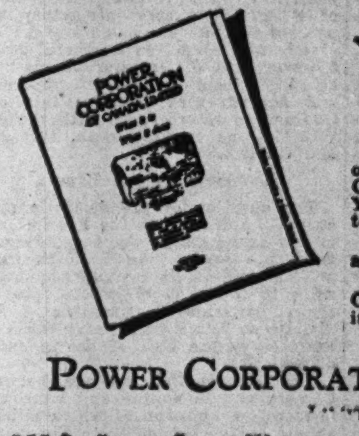

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WEST TO SEEK NEW SCHEDULE FREIGHT RATES

Government Will Be Asked to Re-hear Appeal of Provinces

SEEK REDUCTIONS

If Appeal Granted, Entire Basis of Present Rate Structure May Be Affected

OTTAWA.—Renewed efforts to obtain important reductions in freight rates in Western Canada will shortly be made by the Provincial Governments of British Columbia and Alberta, by way of appeal to the Governor-in-Council.

While there has been no official announcement it is understood the British Columbia Government will ask for a re-hearing of the appeal lodged before the Mackenzie King Government last January and this request, undoubtedly, will be seconded by Alberta. Although unable to see eye to eye with the two most westerly of the provinces, Saskatchewan is believed to be prepared to associate itself with the appeal, claiming freight rate concessions of peculiar interest to the middle west.

Prevailing opinion here is that the Bennett Government will grant the western provinces a re-hearing if only to give them the satisfaction of receiving a definite judgment. In the appeal to the Mackenzie King Government, the argument was presented at great length but there never was a decision; the Government gave no verdict.

Manitoba May Join Ontario

All the provinces, from Ontario to the Pacific Coast, will be interested in the case. The final showdown, it is believed, will find Manitoba lined up with Ontario—a strange alliance in freight rate disputes—opposing all the demands of the three far west provinces. Saskatchewan is expected to oppose Alberta and British Columbia on most points, but to be keen upon advancing a case for reductions in her own particular territory.

The appeal, really, arises out of the equalization of rates inquiry and judgment of the Railway Commission several years ago. This inquiry was made necessary by an order-in-council passed in the dying days of the 1921-25 parliament. It is contended by the applicant provinces that the commission failed to deal with the various matters referred to it by this order-in-council and, therefore, should be instructed to reopen the investigation and give a second judgment. In fact the appellant provinces argued last January that the Government should instruct the commission to make certain changes in the freight rate structure.

Has Four Distinct Features

There are four distinct features in the freight rate appeal. These may be summarized as follows:

1. The mountain differential—should it be retained or discarded?
2. Should domestic rates on grain and flour proceeding to the Pacific coast be reduced to approximately the level of the export rates?
3. Should the railways be compelled to blanket rates from Edmonton and Calgary to Vancouver on the Calgary mileage rather than on the Edmonton mileage as at present?
4. Should terminal rates from Fort William westbound be removed or drastically revised?

These headings may convey little to the layman but they involve important sections of the freight rate structure of Canada. If the demands of the provinces are granted the railway companies would be deprived of much revenue.

Hope to Re-Open Investigation

The appeal is carried to the Governor-in-Council because it is the only body, under the Railway Act, to which appeal on matters of fact—as distinct from law—can be made. While the Governor-in-Council has the power to instruct the Railway Commission to order changes in certain rates, this power rarely has been used; in fact it has not been exercised for more than ten years. About the best the provinces may hope to get, therefore, is a new instruction to the commission to reopen the equalization of rates investigation.

The matters at issue in the appeal may be summarized as follows:

The mountain differential is a high freight rate which prevails across the Rocky mountains. In other words the mountains are reflected in the freight rates. The differential is based upon prairie rates and used to be 25 per cent higher. In recent years it has been whittled down until today many classes of goods are exempt altogether and proceed through the mountains on the prairie rate scale. In a general sense, however, the differential stands now at 15 per cent and British Columbia and Alberta seek to wipe this out. Opposed to interference with the differential are Saskatchewan, Manitoba and Ontario.

Domestic Versus Export

The question of the domestic rates on grain and flour to the Pacific coast is self-explanatory. As a rule, export rates are lower than domestic rates and the request is to reduce domestic rates to the level of export rates on these particular commodities. The division as between the provinces is the same as in the case of the mountain differential.

The constructive mileage between Calgary and Edmonton and Vancouver is merely a question of which mileage should apply—Edmonton to Vancouver, or Calgary to Vancouver. Obviously it must be a blanket rate—that is the same rate must apply from both city points. Edmonton, however, is some distance farther from Vancouver than is Calgary. At the moment the Edmonton mileage is applied to both points. The appellant provinces want this condition reversed. Once more the easterly provinces are in opposition.

Terminal Rate Most Vital

The question of terminal rates vitally affects all eastern industries shipping goods to the west, as well as the distribution industries of the three prairie provinces. From a national point of view it is easily the most important question to be raised by the provinces.

Roughly speaking terminal rates grew up with the west and with the desire of east and west to defy geography and move closer to each other. When the first east to west railway was built—the C. P. R.—a standard mileage rate was put into operation. This was more than 40 years ago, in 1886. Manitoba—the only community of consequence then existing—desired lower freight rates to the east; could not obtain reductions from the existing line; actively encouraged competitive roads from the south east. The Northern Pacific entered Winnipeg about 1868 and reduced rates from Winnipeg to Duluth. The C. P. R. was forced to meet the competition by reductions between Fort William and Winnipeg. The reductions, however, affected only Manitoba and were not carried further west to the present areas of Saskatchewan and Alberta.

Further reductions were compelled by the Canadian Northern in 1902 and one half of these reductions were extended to Saskatchewan and Alberta.

Move West Nearer East

This situation grew up naturally and came before the Railway Commission in 1914. The Commission decided to move the west nearer the east and ordered a "constructive" freight rate mileage between Fort William and Port Arthur and Winnipeg. Rates were to be calculated on an assumed mileage of 290 miles instead of actual mileage of 419 miles.

Saskatchewan and Alberta always have contended that this arrangement conferred an unjustifiable advantage upon Winnipeg as a distribution centre. These rates are known as terminal rates and the two westerly prairie provinces want the assumed mileage to be worked out in an entirely different way giving an equal reduction to all prairie points instead of a lump reduction to Winnipeg. Manitoba is opposed to any change.

The railway companies are opposed to all these demands for freight rate revisions.

Algoma Steel Corp. Operates Rail Mill

From Our Own Correspondent

MONTREAL.—The rail mill of Algoma Steel Corp. has resumed operations on a single shift after a shut-down of several months. About 500 men are presently employed. It will be necessary, however, to close down the mill again in December to complete installation of new machinery. Completion is expected in February, 1931, when the mill will be capable of producing 130-pound steel rails.

The company has received orders for about 25,000 tons of rails in the past few weeks. Further buying is in prospect following the announcement of the Canadian railways' intention to lay new trackage in the near future.

Turner Valley Drilling Report

(Wells being drilled by Imperial Oil)

PROGRESS REPORT—Week Ending Oct. 18, 1930

Name of Well	No.	Type	Depth last report feet	Present depth feet	Feet drill.	Remarks
Royalite	20	R.	4663	4817	154	Drilling in shale. (Dalhousie Sand at 4,500 ft.)
Royalite	24	S.	5080	5156	76	Drilling in shale. (Limestone expected at 5,200 ft.)
Royalite	25	R.	2538	2717	179	Drilling in shale (In Lower Dakota)
Dalhousie	7	R.	....	....	...	Rigging up rotary for fishing job 90% complete.
Foothills	2	DD.	4937	4940	3	Cleaned out to bottom, preparing to shoot.
Foothills	3	DD.	....	....	...	Rigging up diamond drill for clean out.
Home	6	S.	4300	4382	82	10 in. casing, lowered to 4,339 ft., underreaming.
Mayland	3	R.	5850	5850	...	Standing cemented. (Top of lime at 5,820 ft.)
Mayland	4	S.	215	413	198	Drilling in shale.
Lowery Pete.	2	R.	2581	2824	243	Drilling in shale.
C. D. & P.	1	R.	3059	3059	...	Cemented 12½ in. casing with 250 sacks of cement, standing.
Southern Lowery	1	S.	4097	4130	33	Drilling in sharp sand.

Note: R—Rotary. S—Standard. DD—Diamond Drill.

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INTER. MILLING CO. EARNINGS LOWER BUT SUBSTANTIAL

Financial Strength is Enhanced in Fiscal Year—Dividends Safe

WORKING CAP. GAINS

Eliminated Funded Debt During Year—Reserves Increase — Earned $11.72 on Com.

International Milling Co. strengthened its financial condition during the year ending Aug. 31, 1930, even though earnings on preferred and common stocks fell below the high levels of the preceding year. In a year which all the milling companies found difficult, however, it can be regarded as no mean performance for the company to be able to show $32.36 a share on $3,554,500 7 per cent preferred stock and $967,000 6 per cent preferred stock and $11.72 a share on 100,000 shares of no par value common stock.

In the preceding year earnings on the preferred stocks had been $38.07 a share and on the common stock $13.28 a share. On Aug. 31, 1929, however, 7 per cent preferred stock outstanding had only amounted to $3,119,900 and 6 per cent preferred stock to $989,600. In both years the common stock outstanding has been taken at 100,000 shares, although 2,500 shares were held in the treasury. Some of this stock was sold during the year along with additional preferred shares.

Comparative Income and Surplus Accounts (Years ended August 31)

	1930	1929
Net earnings*	$1,463,694	$1,564,720
Less:		
7% pref. dividends	233,692	216,925
6% pref. dividends	58,388	19,690
Common dividends	536,250	712,500
Premium on pref. (a)	371	3,676
Commission on stock	7,500	70,000
Surplus for year	627,494	541,930
Previous surplus	5,598,146	4,887,828
Adjustments:		
Surplus income tax	18,105	14,101
Common proceeds (b)	154,550	135,288
Premium pref. (c)	....	19,000
Carried forward	6,398,295	5,598,146
First preferred (7%)		
Earned	$32.36	$38.07
First preferred (6%)		
Earned	32.36	38.07
Common		
Earned	11.72	13.28
Paid	5.36(d)	7.50

*After making full provision for Federal and Canadian taxes on profits. (a) Premium on sale of preferred stock. (b) Proceeds from common stock previously held in treasury. (c) Premium on preferred stock retired. (d) 100,000 shares of common.

Working capital remains strong. Though cash and inventories are down a little, there is an even larger drop in current liabilities, so that the working capital position is actually stronger. Cash stands at $1,243,017 as against $1,672,333 a year earlier, accounts receivable are up at $1,441,451 as compared with $1,124,609 on Aug. 31, 1929, and inventories were at $8,245,096 as against $9,588,440 a year earlier.

Working Capital Position (Years ended August 31)

	1930 $	1929 $
Current assets	11,104,488	12,670,873
Current liabilities	5,091,331	7,043,526
Working capital	6,013,157	5,627,347

Fixed assets increased from $7,524,424 to $8,071,014, and other assets from $1,151,012 to $1,365,878. Reserve accounts were increased during the year from $1,692,637 to $2,029,754, maintenance and depreciation showing the largest advance from $1,413,825 to $1,727,544. Funded debt was entirely eliminated during the year with the retirement of $402,500 first mortgage bonds. Contingent liabilities were reduced from $1,922,508 to $1,899,067.

CHARGES MARKERS DUMPED IN WEST

Hardware and Metal Discusses Manitoba's Purchase of Automobile Plates

In a recent issue Hardware and Metal carried a story to the effect that the Province of Manitoba gave the contract for the manufacture of its 1931 automobile markers to a United States firm where formerly the plates for that province and for all other Canadian provinces have without exception been made by Canadian firms. The Manitoba government has been subjected to considerable criticism for its action in sending this order out of Canada at a time when employment was suffering a severe curtailment in this country.

Whether or not any government or corporation can be blamed for buying in the cheapest possible market is questioned by others, but Hardware and Metal hints that the markers may have been "dumped" in Canada.

Manitoba buys approximately 110,000 license plates. These markers are approximately 25 per cent larger than the plates used in most of the states of the American Union with which the price comparisons given in this article are made. The St. Paul, Minn., firm which secured the Manitoba order for 1931 markers is making them at a price of 10.25 cents each laid down, compared with the price of 12 cents each quoted by a leading Canadian firm which has previously had this order. With a 30 per cent duty to pay, plus freight and other charges to be included in the price of 10.5 cents per marker, quoted by this U. S. manufacturer, it is evident that this would compare with a price of 8 cents per marker at point of manufacture. With this 8 cent price in mind it is interesting, says the trade journal, to note the following prices paid for markers by other states in the Union.

The state of New Hampshire which requires 109,000 licenses, or a number practically the equivalent of the number required by Manitoba, paid 10.5 cents per marker last year for its license plates. On that basis, with duty and freight added the price in Canada would have been 14.35 cents each.

Maine paid 8.99 cents. This would be equivalent to 12.37 cents in Canada. North Dakota paid 8.61 cents each for 188,000 markers. New York paid 12 cents. Ohio paid 10 cents each. Michigan paid 17½ cents each, Wisconsin 11½ cents.

It is apparent from the foregoing that there is a wide difference in prices paid for markers by various states. It is also apparent that the lowest fair market value existing in the United States is North Dakota with a price of 8.61 cents per marker, or the equivalent of 12 cents per marker in Canada. This is the equivalent of the price quoted to the province of Manitoba by the Canadian concern which formerly had the contract. This company just recently lost the contract for the 1931 Manitoba markers to the United States company which quoted a price of 10.25 cents per marker, laid down in Manitoba. Says Hardware and Metal:

"On the basis of open competition it is quite recognized that with the tariff protection afforded, no Canadian company can expect Canadian buyers to pay more for an article made in Canada than they would pay for the equivalent article imported from abroad. All things being equal the Canadian company naturally figures it is entitled to prior consideration.

An Audit of Canada

One of a Series of Frank Discussions of the Future Development of the Dominion

By FLOYD S. CHALMERS

This is one of a series of articles in which the fundamental position of and the outlook for various Canadian productive activities is being surveyed. The first articles in the series deal with agriculture and other branches of Canada's wealth sources will be taken up in turn.

ARTICLE SIX: OUR FUTURE IN WHEAT-GROWING

Two or three years ago there was no one in Canada or elsewhere to question the future of this country in wheat production. We were already the third largest producer of wheat in the world, being exceeded only by U. S. and Russia, and we were the world's largest exporter of wheat. Even the calmest observers forecast for Canada a rapid rise to world leadership in production as our acreage and yield were growing more rapidly than those of our leading competitor, the United States and Russia was still an unknown quantity.

The United States, in the five years prior to the war, had an average annual production of wheat of 690,000,000 bushels which had increased to 833,000,000 bushels average in the five years from 1924 to 1928. Canada in the same period had increased its annual average wheat production from 197,000,000 bushels to 422,000,000 and in 1928 we harvested the notable crop of 567,000,000 bushels. This very large crop enabled us to become an even more imposing factor in the wheat export of the world, and in the crop year from August 1, 1928 to July 31, 1929, we exported 404,000,000 bushels of wheat, which was more than 40 per cent of all the wheat exported in that twelve-months period by the grain-growing countries of the world. We had a lead of over 180,000,000 bushels on the Argentine and of 260,000,000 bushels on the United States. Moreover this large crop, though of fairly low quality, brought us a high average price and was responsible for enabling the western farmer to so add to his prosperity that he was really in pretty fair shape to withstand the double shock of the subsequent two years; first, in 1929, when he had a small crop followed by a decline in prices and, this year, when he has had a good average crop with extremely low prices.

Quarter of Farm Lands Devoted to Wheat

So certain has Canadian agriculture been of its rising tide of supremacy in wheat growing that we have vastly increased our acreage devoted to growing this grain. In the year 1915, when Canada so fortuitously (considering the war) harvested the largest wheat crop it had ever had up to that time, the total amount of wheat acreage was 15,000,000 acres. In 1929, over 25,000,000 acres were planted to wheat in Canada and the figure fell little short of this in 1930. Allowing for the amount of wheat land allowed to stand fallow each year, about a quarter of the farm lands of Canada were devoted to this single crop in the last two years.

Wheat has become such a dominant factor in our agricultural economy that there is a general disposition to feel that we must keep on growing more and more wheat and must retain our position as the chief world exporter. Whether or not we can do so may properly be the subject of a complete article in this series.

United States Drops Behind in Wheat Race

Recently E. W. Beatty, chairman and president of the Canadian Pacific Railway, was quoted as saying that within five years Canada would be shipping wheat to the United States. This was a remarkable statement and evidence Mr. Beatty's belief that the United States will become a decreasingly important factor in the wheat markets of the world, while Canada must become an increasingly important factor. There is no doubt that the United States has reached and passed the peak of its wheat growing. Recently the Standard Statistics Corporation said:

"A brief study of our export trade for wheat is convincing evidence that we (the United States) are gradually losing out in the world market."

American agriculturists have practically decided to go on a domestic basis, to give up the idea of competing with the newer and lower-cost countries, particularly in wheat, to produce enough for the home market and no more. Mr. Beatty undoubtedly visualizes this tendency developing so rapidly that the United States will be a deficit country in wheat and will naturally turn to its nearest neighbor for such supplies as are required to add to its own crop and meet its growing needs. This, of course, involves a radical change in American fiscal policy in regard to grain.

Russia is Enigma in Wheat Problem

Consideration of this question immediately leads to an even more important question, and that is the potential position of other countries, notably Russia, which have also demonstrated, to some extent, their ability to produce wheat at low cost. Russia is the great enigma of world wheat, just as she is the great enigma of world trade in general. What Canada must consider is whether or not she can meet Russian wheat competition in Europe, even in Great Britain and possibly in the United States if that country becomes, in the next five years, an importer of wheat.

We have certain facts. One is that Russia's arable land suitable for the growing of wheat is enormous, and including Siberia, may prove to be greater than the available wheat land in Canada. Climate and geography are not materially more of a retarding factor than in Canada.

Current Exports Not Due to Surplus Output

There is little doubt that Russia's current wheat exports are not based upon any surplus production in that country. In fact Russia ought today to consume at least as much wheat as it grows and might even properly import wheat, and would import wheat if the people were properly fed. Canadians manage to consume an average of a barrel of flour apiece each year. This is 4½ bushels of wheat. The Americans do about the same. Russia, with a population of 150,000,000 would require 675,000,000 bushels of wheat on the same basis. Russia before the war grew about 900,000,000 bushels annually of wheat and now grows about 800,000,000 bushels a year. At a conservative estimate at least 150,000,000 bushels would be required for feed, seed and allowances for waste. This would leave Russia with a slight deficit on paper if the people were to be as well fed as we are on this continent. So Russia's wheat is not an immediate production menace, although it may be a price menace.

Russia's need of cash to pay bills and to meet foreign indebtedness is considered by her economic and political leaders to be even greater than the need of filling the stomachs of the population. Also, there is no doubt that Russia in exporting wheat at prices not warranted by any surplus in her own country, realizes that she is upsetting the economy of competing nations, and is breeding such discontent as to give some currency to her own economic doctrines.

Say Russia Can Export Billion Bushels

While Russian wheat exports today are based on a political and emergency situation, her exports of wheat ten years hence may be based upon a large surplus for export. Some North American agriculturists who have studied the Russian wheat situation on the ground, are downhearted and feel that both the United States and Canada will find it a few years hence, impossible to compete with world markets of Russia. One man, known the world over as an outstanding exponent of large scale wheat farming, has stated privately that Russia within a few years will have a billion bushels a year of wheat to export and that it can then export it at lower prices than the cost of production in either the United States or Canada. This would indeed be a gloomy outlook for Canada if it were true. But Russia's ability to export wheat depends a great deal upon the success of her experiment in economics and government. It is very doubtful if this experiment will continue without radical change. An under-fed, under-housed, under-clothed population cannot be an efficient population, and the writer of these articles, for one, is disinclined to believe that this type of peasant agriculture weighed down by the tyranny of mass oligarchy, as it now is, can prove itself more efficient than the independent and enlightened farm group of our own western plains.

Science Our Ally in Fight on Bolshevism

We must fight the battle against Russia and other wheat producing countries with modern weapons. These modern weapons include the best seed, modern soil treatment, well organized rotation of crops, scientific research to produce better wheat and to combat pests and disease, and the most efficient machinery that can be devised to lower costs of sowing, harvesting and marketing.

The thoroughly mechanized wheat farm—within certain limitations—may be the salvation of Western Canada. Opinion differs on this. There are vigorous opponents of mechanical wheat farming. Probably the truth lies between two extremes; the small farm, practically self-supporting, will be run economically with a minimum of machinery. The large farm, with wages to pay, will utilize all the machinery that ingenuity can devise. Since 1922 there have been more than 60,000 tractors sold to the farmers of Western Canada; more than 14,000 combines were at work harvesting this year's crops, while many thousands of motor trucks hauled the wheat to market. A new farming method is coming into the West. As Senator W. A. Buchanan, publisher of Lethbridge Herald, puts it, farming is losing its drudgery. Hard labor is giving way to business efficiency in our Western farms, as they become mechanized. The harvester excursion is a thing of the past.

Business Lined Up With Grain Grower

It will be an expensive job and a slow task to re-equip our larger Western farms and to make the smaller farms self-supporting, mixed farms. But it will be done because the banks, loan companies, mortgage companies, insurance companies, implement companies and the grain trade will all help the farmer to accomplish this task. In the end it will be found that we can produce wheat at costs previously undreamed of. There will be farmers who will produce good crops as cheaply as 40 cents a bushel and in good years even less. Then we will be able to face the world and produce wheat at a profit.

The wheat situation is clouded at the moment. Prices are low and seem to tend lower. But present prices may be considered high a few years from now in comparison with the costs that we can achieve. We should give up once and for all the idea of $2 wheat. We should adapt ourselves to making a profit on wheat at 75 cents and we can do it.

Few Years Will Paint New Picture

There is little prospect of real prosperity for wheat farmers this year or even next year. But three years will see a great change in the picture. The re-adjustment should not take much longer than that and whether Russia continues to become an increasingly formidable force in wheat growing or not, Canada should hold its own. Indeed, there may be in the world's wheat markets, plenty of room for all that Russia and Canada both can produce. High cost countries such as United States will be forced out of export markets. The European countries, that have been forced by their financial positions and the burden of world war debts to encourage home production of wheat by ridiculously high duties, will seek rather the advantages of cheaper wheat when their financial positions are improved.

Canada need not and should not go out of wheat growing. To stay on top for many years she need only modernize her cereal culture to the final degree.

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Right to Assign Ten-year Recapture Clause is Not Viewed Favorably

From Our Own Correspondent

PRINCE ALBERT.—A hitch has occurred in the negotiations which have been under way for the sale of the city's power plant to Canadian Utilities Ltd. The committee of the council which is negotiating the terms of the franchise with the company has asked for the insertion of a clause to which the company will not agree.

It was originally understood that the contract would give the city the right to buy back the power plant at the end of ten years at replacement cost plus 10 per cent. Foreseeing that the city might not be in a position to exercise that privilege, and might, nevertheless, be dissatisfied with the company's service, the committee have sought to extend this term of the contract to read that the city could assign the contract to any other power company at the end of ten years.

Inability of the city to re-enter the power business is taken for granted on account of the agreement made some time ago with the bondholders for the retirement of existing debt within 34 years, and that is the chief reason the purchase clause is considered as doubtful value in the way of protection.

On the other hand, it is doubtful if any company seeking a franchise would willingly put itself in danger from competitors in the way that would result from the alternative clause suggested.

Western Divisions Lead

The sales organizations in Calgary and Edmonton of Investors Syndicate of Minneapolis are stated to be leading the entire western division of the company in investment certificate sales up to September 1, 1930. The British Columbia and Alberta organization has won the western division sales competition for the third consecutive time this year.

Marine Building Opened

Advices from Vancouver state that the Marine Building has been opened to occupancy since October 8. The board of trade has taken premises on the eighth floor. Vancouver Merchants Exchange has quarters on the ground floor.

Debt Adjustment Plan Announced For Manitoba

From Our Own Correspondent

WINNIPEG.—At the request of various farmers' organizations, Premier Bracken has announced the intention of the Manitoba Government to set up a "Debt Adjustment Board" for the protection of the affairs of farmers who are unable to meet all their obligations this year. Representatives of lending institutions, who attended a conference held on the subject last week, made no comment, but it is generally understood that for the most part they are in favor of the idea. Details have not yet been made public, but it is understood that the board will function along the same line as the debt adjustment board which has been in existence in Alberta since 1923, and one recently created in Saskatchewan. No compulsion is exercised there against either debtor or creditors. But if a farmer puts his affairs in the hands of the board, and the creditors agree to accept the board's handling of them, funds available for the payment of debts are divided as seems proper to the board, and those which cannot be paid remain over without danger of one creditor getting ahead of another by precipitate seizure. The plan appears to have worked out well in Alberta, where a good many farmers have at different times been carried through a period of crisis.

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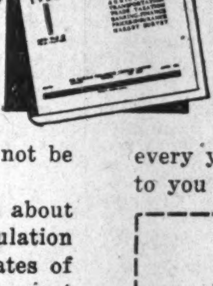

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